INVENTING OUR FUTURE

AN ACTION PLAN FOR CANADA'S PROSPERITY

STEERING GROUP ON PROSPERITY | COMITÉ DIRECTEUR DE LA PROSPÉRITÉ

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Canadians must recapture the pioneering spirit that built our nation and apply it to the challenges that confront us: not merely to survive the new global economy but to thrive in it; not to turn from competition but to engage it; not to fear the future but to invent it.

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PREFACE

This action plan is a road map for change. It is important to the future of Canada and your place in that future. The volunteers who prepared it hope that you will take the time to read it carefully. We believe that you will find much to agree with — things you have been thinking and saying yourself.

This is because our recommendations reflect the views expressed by thousands of Canadians in the Prosperity Initiative consultations. There was broad, if not unanimous, agreement about both the challenges that confront us and about what we have to do, as a people and as a country, to ensure our social and economic well-being in a rapidly changing world.

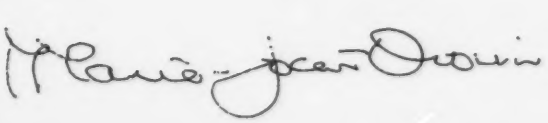
The consultations were extensive, and we were encouraged by the enthusiasm and commitment of the participants. Local community talks were held in 186 cities, towns and villages across this land, followed by regional talks in five major centres. There were also roundtables, conferences and forums on such subjects as education and training, science and technology, government, quality, investment, and trade. In addition, consultations were organized with Canada's major economic and industrial sectors, there was a two-day conference with Aboriginal peoples, and discussions took place with key national and regional organizations — including social action groups and other voluntary organizations — as well as with the provincial governments.

Many of the actions proposed in this plan are interdependent. Together, they represent an integrated approach to securing Canada's future prosperity. They are designed to point the country in the right direction and, if carried out, to provide the necessary impetus for change.

Some of our recommendations are quite precise about what to do and how to do it. Others, out of necessity, are more general, and experts will have to hammer out the details. In all cases though, we have specified target dates for action as well as who must take responsibility for that action.

We ask you to read the action plan. Identify the things that you can do — at home, school or work, in your family, or through your business or association. Discuss them with your friends, fellow workers and elected representatives. Wherever you can support this plan with personal action, we urge you to take that action.

But first ... read on.



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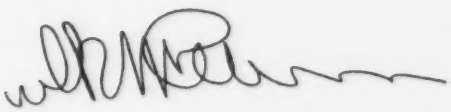

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Conversations with Canadians

Twelve months ago, the Government of Canada launched the Prosperity Initiative and began extensive consultations with Canadians on how to ensure the prosperity of our country.

The government also asked us — 20 Canadians, all volunteers and from a wide range of backgrounds — to serve as an independent Steering Group on Prosperity. Our task was to listen to what Canadians were saying and — operating at arm's length from the federal government — produce a plan of action to secure Canada's future economic and social well-being, a plan that all Canadians could support and help carry out.

Canada is one of the most prosperous nations and is envied around the world. According to a recent ranking by the United Nations, there is no better place to live. So why this action plan and the urgency for it? Because Canada's continued prosperity is being threatened by a global economy where change is accelerating and competition is growing ever fiercer. In fact, compared with other industrial countries, we are already slipping.

The warning signs are everywhere:

- our exports are losing market share;
- we are not attracting enough investment;
- we are not applying new technologies as well as our competitors;
- not enough of our manufacturers are offering innovative products backed by research and development;
- too few of our companies provide training for their workers;
- we spend more per capita on education than other leading industrial nations but results are not what they should be;
- too many young people are still not ready for school and too many are leaving school ill-equipped for work; and
- too many adults are permanently sidelined by a lack of skills.

Today, more than a million and a half Canadians are unemployed and many more are underemployed: Canada's prosperity is passing them by. Many Canadians have never had a share of prosperity and continue to lack opportunities to achieve it.

Once we looked mainly to our governments for solutions to these problems. However, Canadians are now realizing that governments alone cannot ensure our prosperity; they can only help create the right conditions for it. All of us must cooperate in securing the country's future — workers, educators, scientists, business people, parents, politicians, students, consumers, the economically disadvantaged, community volunteers and individual men and women.

The willingness of Canadians to work together in a wide range of partnerships is essential to our success. For this reason, the Steering Group's report is an action plan for all Canadians. It was developed through the Prosperity Initiative consultations, to which thousands of Canadians contributed (see Appendix A).

A Vision of Prosperity

The Prosperity consultations opened up a dialogue among Canadians from every walk of life. Across the country — in community and regional talks, national forums and roundtables; in workshops, task forces and discussions; and in reports submitted by 15 industrial sectors and other organizations — Canadians spoke of their hopes and dreams and what needs to be done to realize them.

We learned there is remarkable agreement on the challenges that confront our country. We also learned that Canadians everywhere share a similar vision of a prosperous Canada. It is a vision of a country where all can enjoy a higher standard of living and no Canadian is denied an opportunity to achieve it. It is a vision based on pride in Canada and its magnificent natural heritage, achievements and potential. It is a vision rooted in commitment to community, in which prosperity includes fairness, equity and social responsibility, and respect for all Canadians and the diversity of their backgrounds.

Canadians also share a goal of self-reliance, a respect for learning and the full development of each individual. They want Canada to be a champion of achievement and excellence, a producer of quality goods and services sold around the world, a country where economic and social goals reinforce each other, a nation that contributes to human betterment everywhere.

Yet, for too many Canadians, there is a gulf between their vision of prosperity and today's reality. The protracted economic recession has taken a toll, as have the pressures of a changing world. A growing impoverished underclass is a continuing reality in our country. Discrimination in its many forms, the lack of jobs and some features of government support programs that may lead to dependency keep many Canadians from realizing their full potential.

What Troubles Canadians

Canadians are worried about what the future holds for themselves and their families. For most, prosperity means a good job and prospects of a better one. For many others who are chronically or temporarily unemployed, prosperity means having a fair chance to enter or re-enter the work force.

Canadians who have lost their jobs, or who see their friends and relatives out of work, wonder where new jobs are going to come from — particularly for their children. Those who live in proud communities where employment is no longer available are faced with uprooting their lives and families to find work elsewhere.

Canadians with jobs worry how to keep them. Some are concerned that making Canada more competitive will lead to more job losses and displacement.

They see growing competition from countries with lower wages, inferior living conditions and less protection for the environment. At the same time, they worry about fitting into a workplace where the use of knowledge and specialized skills is becoming more important.

Canadians understand that education and training are essential to national and personal prosperity. For this reason, parents share a growing feeling that schools should be doing a better job of preparing children for the future.

Employers and trade union leaders warn of serious economic and social consequences if the school drop-out rate continues unchecked, or if illiteracy is not drastically reduced. On the job or on the unemployment lines, there is worry about access to effective training and retraining.

Our business people are concerned that the climate for investment in Canada is uninviting, and too few of them are prepared to invest the risk capital that leads to job creation.

There is widespread anger at the continual confrontations between management and labour, confrontations that undermine our ability to prosper.

Canadians are also angry with politicians and government officials. Mounting government debt and deficits at all levels are seen as signs of waste and inefficiency on the one hand, and a lack of long-term planning and direction on the other.

Relations between the federal and provincial governments seem like exercises in duplication, overlap and conflict rather than coordination for the common good. Taxpayers everywhere feel assailed by the combined demands of all levels of government, and they are unhappy with the deteriorating standard of services they are getting in return.

Many Canadians are afraid that change will leave them behind. Others, who are already behind, feel excluded because of who they are — women, Aboriginal peoples, ethnic minorities, the poor and the disabled — or because of a chronic lack of opportunity in the region where they live. These Canadians want to be part of the economic action.

There are also worries about our social programs. Health and other public services are fairly uniform and available to everyone, but Canadians are concerned about the ability of governments to retain and finance them in light of recent economic developments.

Many Canadians are also concerned that present systems leave too many people permanently dependent on government benefits. The recipients of these benefits would prefer a hand up to a handout; in other words, a redistribution of opportunity instead of just a redistribution of income.

There is a widespread belief that consumption patterns and development activities are aggravating environmental problems. Canadians want prosperity but they set a high value on protecting the natural environment and preserving it for future generations.

As they deal with these concerns, Canadians express deep frustration with the divisiveness in our country. Above all, they are demanding a new spirit of cooperation and collaboration — between management and labour, between parents and educators, between business and government, and between and among different levels of governments.

Learning from the Past

The world recession of the past few years has had a profound impact on Canada, as it has on other countries. Yet the concerns expressed during our consultations relate to problems that cannot be attributed to the recession alone — Canada itself has much to answer for.

While the pace of change has accelerated over the past 20 years, we were slow to restructure and adapt. We did not invest enough in innovative processes and human resources, we allowed costs to rise faster than productivity, and we accumulated debt by spending beyond our means while watching inflation fluctuate widely.

Despite the dismantling of many foreign trade barriers, too few of our companies tried to maintain or increase employment by exporting goods and services. At home, opportunities for growth were limited by interprovincial trade barriers.

Lulled into complacency by a low exchange rate, we believed we were not losing our competitive edge. We stuck to an outmoded system of labour-management relations and many of our firms failed to train and retrain their workers. At the same time, too many young people continued to leave school with insufficient preparation for the new knowledge-based jobs.

Added to this, we have not understood how all Canadians can contribute to our collective prosperity. We undervalued the role of women. Aboriginal peoples have not been full participants in society. The role of the voluntary sector was too often overlooked. The potential contributions of people with disabilities, immigrants and visible minorities were not well enough appreciated.

We cannot change the past, but we can learn from it. Canadians must recapture the pioneering spirit that built our nation and apply it to the challenges that confront us: not merely to survive in the new global economy but to thrive in it; not to turn from competition but to engage it; not to fear the future but to invent it.

A Strategy for Prosperity

This action plan for Canada's prosperity is based on a strategy that creates opportunities for each Canadian to achieve his or her potential. The key to the strategy is innovation.

Innovation is the introduction of new things or new ways of doing things. It means being open to change — a readiness to initiate, absorb or adapt to new and better ways of thinking, behaving and working together. Innovation implies not only new technology, but also new relationships, alliances and partnerships that reach across traditional boundaries to reinvigorate our economic, educational and training systems.

During community, regional, sectoral and national consultations, a strong consensus emerged. To ensure Canada's prosperity, Canadians must build effective partnerships and, together, bring about change in a number of critical areas.

In the Steering Group's view, these changes will entail taking innovative actions to:

- meet the growing needs of demanding customers at home and abroad so that new opportunities are created for Canadian companies and workers;
- make quality the goal of all our endeavours so that Canada becomes a symbol of excellence around the world;
- reduce the size and cost of our governments so that we spend smarter, eliminate overlap, reduce unnecessary regulations and foster private sector competitiveness;
- make better use of technology so that more Canadian companies become world leaders in producing high value goods and services;
- create better sources of finance for small and medium-sized businesses so they can continue to generate jobs for Canadians;
- develop a global marketing strategy so that Canadian companies develop profitable opportunities worldwide;

- improve Canada's investment climate so that Canadian businesses will be able to create more jobs and generate more wealth for the country;
- transform our approach to labour-management relations so that constructive negotiations and productive partnerships become the norm;
- reorient our educational systems so that they focus on results;
- ensure young children get a good start so they can enter school physically and emotionally ready to begin their education;
- improve the performance and accessibility of our learning systems so that more Canadians have the chance to acquire necessary skills and knowledge;
- strengthen the links between schools and the workplace so that students are better equipped to enter the world of work;
- refocus our adjustment measures and social programs so that the unemployed and disadvantaged can be better helped to achieve their full potential; and
- strengthen voluntary organizations and local economic development groups so they can help build stronger communities and better serve Canada's long-term prosperity.

Innovative actions in these areas constitute a strategy for transforming Canada into an inclusive society where everyone will have opportunities to contribute; where high value is placed on learning; where entrepreneurship is fostered; where there are more jobs and better wages; where economic and social policy reinforce one another; and where all Canadians can enjoy a high standard of living and quality of life.

The Action Plan in Brief

In the chapters that follow, we recommend specific actions for creating opportunities through innovation, and we indicate who should take responsibility for these actions.

Chapter Two deals with increasing Canada's capacity to compete in the global marketplace and so achieve economic growth and job creation. It prescribes a quality management approach to meeting customer requirements and actions to make consumers more knowledgeable and demanding. It also calls upon governments to encourage innovation by changing focus and facilitating a more entrepreneurial environment. Actions are recommended for disciplined fiscal policy, fair and competitive tax systems, leaner and more responsive governments, and a single Canadian market.

How to increase innovation is the integrating theme. Actions are recommended to accelerate the development and application of technology, facilitate investment and business financing, improve Canada's export performance, build better partnerships between management and workers, and ensure there are effective programs to help workers adjust to changing conditions.

Building an innovative society with opportunities for all means Canadians must acquire the right knowledge, skills and attitudes and have learning systems that can meet the demands of the future.

Chapter Three sets out a four-part strategy for creating a strong learning culture in Canada. Recommended actions deal with reorienting our educational and training systems toward achieving results; making learning available to everyone at every stage of their lives; introducing new ways to educate and train; and encouraging a personal and collective commitment to learning.

Chapter Four recommends actions to transform Canada into a fully inclusive society — where all Canadians have a chance to share in the opportunities that innovation brings. The actions are directed at increasing the participation of all groups.

Together, our recommendations constitute an integrated approach to prosperity. Yet not all are new: many have been proposed before but never implemented; others have been adopted here and there but with no concerted impact across the country.

For these reasons, we believe that Canada, like other countries responding to similar challenges, must have a Prosperity Council. This mechanism, described in Chapter Five, would be not a federal government institution, but a national organization that would help build partnerships throughout our society, generate and maintain the necessary momentum for change, and bring about prompt and effective action.

Time to Act

In developing the action plan, we considered all the recommendations made as part of the Prosperity Initiative consultations, as well as those contained in various reports published by public and private sector organizations (see Appendix B). We also benefited from several provincial government reports and discussions with the provinces on issues related to prosperity. The conclusions reached by the provinces are largely consistent with ours.

The recommendations in this document are those we believe will have the most profound impact in terms of generating prompt action and achieving results over the long term. All have broad national application and all encourage the formation of effective partnerships.

Many of the other recommendations — for example, those made by 15 industrial sectors — merit careful consideration and could help in the implementation of this action plan.

The time for further discussion and study is over. The time for action is now.

Let's get going! Allons-y!

Some Key Recommendations

- Stimulate a coordinated approach to quality in all sectors:
  - a National Quality Institute.
- Reduce the burden of government on Canadians:
  - an independent review of federal and provincial tax and spending performance;
  - a competitiveness impact assessment for existing and proposed laws and regulations;
  - a regulatory budget to analyze and report on the economic impact and overall burden of regulations; and
  - a review of the number of government departments and agencies, with tough performance deadlines for reductions.
- Encourage greater use of existing technology and the development of new technologies:
  - a high-speed, broad-band electronic "information highway," to link Canadians to one another and to the world of ideas; and
  - an adjustment of capital cost allowance depreciation rates for innovative equipment and technologies.
- Capture a larger share of global trade, investment and technology:
  - a coordinated private sector strategy aimed at doubling the number of firms that export.
- Achieve our environmental goals and give us a competitive edge in meeting the worldwide demand for "green" products:
  - a Centre of Excellence for Sustainable Development.
- Focus educational and training systems on results:
  - a Canadian forum on learning to define goals, and promote innovation and partnerships for excellence in learning; and
  - competence-based systems for all levels of education and training where success is defined by measurable skills.
- Create continuity in our learning systems:
  - a concerted effort to build stronger links between schools and the world of work; and
  - employer-led training equal to 2 percent of working time.
- Expand the use of information technologies in learning:
  - a 30 percent per year increase in the number of computers and software in schools.
- Ensure that all Canadians have access to the opportunities created by the action plan:
  - an integrated approach to income security that enhances their ability to find work, while reducing disincentives to work;
  - a comprehensive nation-wide approach to worker adjustment;
  - a restructuring of the workplace to accommodate family and other social pressures; and
  - a new set of training programs for Aboriginal managers at institutions of higher learning.
- Stimulate prompt action on this plan and help create the partnerships crucial to its success:
  - an independent Prosperity Council, with a limited lifespan, to monitor, assess and report publicly on progress made toward implementation of these recommendations.

Creating Opportunity: Building an Innovative Society

Canada has always been a great trading nation. Our small economy has long relied on global markets to provide the high standard of living we enjoy. Canadians know that creating an outward-looking, competitive economy oriented toward exporting is the best way to sustain economic growth and ensure the continued creation of high-skill, high-wage jobs.

The Canadian opportunities for trade, investment and product development in the global marketplace are immense. In the next decade alone, the world economy is expected to grow by a third — an amount equal to nearly $9 trillion, some 14 times Canada's annual output of goods and services. This new growth will mean more potential customers for Canadian products and services all around the world.

Despite these prospects, the future remains uncertain. Capturing our share of those opportunities will not be easy or automatic. Other countries are desperate for a piece of the action, and today's global economy is fiercely competitive because of the speed and hitting power of new technology. Modern telecommunications allow money and information to move around the world at the speed of light, and revolutions in manufacturing and marketing have eroded the distinctions between domestic and international markets.

Indeed, international competition is no longer across the border; it is across the street and in the shopping mall. Products, services and ideas from around the world jostle for Canadian display space and consumer attention on an equal footing with our own goods and services. Competing in our own neighbourhoods today means competing in the global village.

As a result, many Canadians are concerned about how to take advantage of the new opportunities, how to ensure there are enough jobs to go around, and how to compete with low-wage countries like Mexico. They ask if we can have full employment or anything like it and become globally competitive at the same time.

The Steering Group on Prosperity believes, along with thousands of other Canadians, that the keys to achieving these goals are innovation and quality, combined with technological mastery and growing productivity. To remain prosperous in today's global marketplace, we must become a more innovative society, building on a fully trained work force to keep finding ever better ways of satisfying market needs.

Innovation, as used in this action plan, is a broad concept. It covers not only the scientific and technological breakthroughs you read about in the newspapers, but also the constant improvements in the way we adopt new processes and adapt to new markets.

Innovation also means continuous improvement in quality. "Made in Canada" must come to mean top value and quality if we are to succeed in meeting customer needs. In fact, Canadian companies must try to exceed customer requirements and do so while keeping their costs competitive. Too few Canadian suppliers of products or services are listening to the customer — whether that customer is a purchaser of wood pulp, a piece of equipment, new software or the latest science course. In today's global marketplace, top quality plays a central role in capturing and keeping markets.

Innovation is never automatic. People innovate — people whose working environment encourages them to think in new ways and question accepted procedures; people who are confident that innovation will not lead to lost jobs and interrupted careers; people who recognize innovation as the way to make their companies more competitive and thus their own positions more durable.

Building organizations that can innovate successfully requires strong bonds of trust between management and employees and mutual commitment to top quality performance. Inevitably, innovation means people will move to higher skill jobs — either with their current employer or with a new employer. Unless workers are confident they will be able to adjust to change and find new jobs when necessary, innovation becomes a source of conflict rather than cooperation.

Canadians are no strangers to innovation. We have a number of leading natural resource companies, small and large manufacturers, service providers and high technology firms that use innovation and quality to stay on top of their markets. Yet too few companies in Canada follow the example of the industry leaders.

Besides falling behind on quality, many of us are adopting new technology too slowly, impeding the growth in productivity we need to maintain good jobs. To capture the global market's emerging opportunities, Canadians must seek technology wherever it is available. No country — no matter how large — can develop all the technology it needs. Strengthening our ability to attract and use technology is an essential part of the innovation-based strategy described in these pages.

In short, there are two ways to compete in the world: through price, or through the uniqueness of the product. In both cases, quality and innovation give you the competitive edge.

For example, Canada's resource companies enjoy a high share of the world market and generate about half our export earnings. Yet when these companies compete through price, even against low-wage economies, they are really competing on quality-driven innovation and productivity — using new technologies and advanced processes to get costs down so jobs can pay high wages and salaries.

The same is true of product uniqueness. In today's fiercely competitive marketplace, the competition can match most products in less than six months. To stay on top, you have to have another quality innovation — an upgrade or better product — ready to go in that time. Otherwise, you must compete through price and, before you know it, someone else's innovation has devalued your product so much you can never recover.

On the other hand, competing through innovation and quality confers an important advantage — the capability to change the game when it suits you. Innovation forces your competitors to play catch up. Your company's capacity to come up with innovative products and services puts you in control of the contest. Without that kind of ability, our companies will always be playing catch up in someone else's game.

The answer, then, is to innovate continuously and maintain a reputation for top-notch quality. Only in this way can we master the future and make it our own.

Putting these ideas into practice calls for a number of changes in the ways we think, act and work together. Action must occur quickly to match the accelerating pace of change in the global environment. For example:

- Management must work with labour to focus on the marketplace and meet customer needs, even if it means rethinking a business from the bottom up. Barriers inhibiting innovation must be removed and profitable risk-taking rewarded.
- Governments must enhance, not hinder, our ability to compete — in the domestic as well as the international marketplace. Our ability to compete domestically strengthens our potential for success in the global economy.
- We must see that companies wanting to innovate and upgrade quality can find the resources to do so, including expertise on quality, more flexible and varied financing, best-practice technology, ready information, access to export markets, and a highly skilled work force.
- The right kind of adjustment measures must be in place so that workers have the chance to adapt rapidly and smoothly to change, with the confidence that they can share in the benefits of change.

All of this assumes that Canada is an attractive location for investment. The effectiveness of the action plan also hinges on Canada having a healthy investment climate.

The actions that follow represent a strategy (outlined in the following box) for building a strong competitive economy, based on innovation and quality, in which business can flourish and all Canadians can share in the benefits of renewed prosperity. Many of the actions should be driven by the proposed Prosperity Council, which is described in more detail on page 62.

INNOVATION AND QUALITY: STRATEGY AT A GLANCE

Focusing on Customer Needs: Making Canada a Leader in Quality

Unleashing Innovation: Getting the Policy Framework Right

Driving Innovation: Turning on the Technology Engine

Driving Innovation: Knowledgeable Investment — Unlocking the Potential

Driving Innovation: Realizing Canada's Export Potential

Environment: Opportunity in Action

Investing in People: Sustaining our Greatest Resource

Focusing on Customer Needs: Making Canada a Leader in Quality

A global revolution is sweeping manufacturing and spreading into service sectors — a revolution that has transformed companies into world leaders and has led to amazing leaps forward in plant capability and efficiency. The name of that revolution is quality. The quality approach helped Japan achieve world leadership as a manufacturing powerhouse, and is now allowing leading companies in other countries to challenge that leadership.

The quality approach is a major breakthrough in the way organizations are run. It means that what organizations do starts and stops with the object of satisfying the customer, and that this philosophy permeates the entire operation so that every employee contributes to this overriding goal. Employees, especially those who meet customers regularly and who work in production, become responsible for how well the company performs.

The emphasis is on continuous innovation of all kinds, from daily minor improvements in production processes to breakthroughs discovered in company labs or introduced through alliances with other firms — all aimed at providing maximum value to the customer.

Many Canadian companies are now adopting quality management techniques and many others are researching or developing customized techniques. Some of these companies have earned enviable reputations for delivering goods and services that consistently meet or exceed customer expectations; some have been revitalized after making a commitment to quality.

Overall, however, the movement has been developing slowly in Canada. We must begin, without further delay, to apply the principles of continuous quality improvement in all of our institutions and activities — the private sector, labour, governments, health organizations, and educational, Aboriginal and voluntary groups. The pursuit of quality requires commitment throughout an organization and a focus on the customer.

■ *The International Organization for Standardization (ISO) has developed specific guidelines to harmonize international standards of quality. The ISO 9000 quality standards, which cover manufacturing processes and service delivery, are used to measure performance in reducing costs and improving quality and can be applied throughout an economy to raise the overall quality of a country's goods and services. The ISO 9000 standards are used in all European countries. As a result, Canadian and United States companies wishing to export to European countries have to adopt these practices.* ■

How should we proceed? First, we need a national policy to build a quality approach into every aspect of the Canadian economy. Training tools and materials for schools are needed to introduce quality training to our youth. A general program of information sharing would raise awareness, help to establish contacts between different organizations and increase research into best practices. We also must expand recognition of quality achievements — in public as well as private sector organizations — through increasing participation in national awards programs, as has been done elsewhere.

The new emphasis on customer satisfaction carries obligations for the customer as well. To create top-notch, competitive companies, able to take on the world and win, customers at home have to be knowledgeable and discerning in demanding quality products. A tough-minded consumer stimulates competition, pushes companies to innovate, and raises the quality of goods and services. A dissatisfied consumer goes elsewhere, often across the border, thereby delivering the clearest possible message to Canadian firms to improve their levels of competitiveness. Consumers can be empowered by education and access to information about the marketplace.

ESTABLISH A NATIONAL QUALITY INSTITUTE

Challenge

To make a coordinated national effort to adopt a quality approach in all areas of Canadian society.

Action 1

Create a National Quality Institute to make Canadian private sector companies and public sector organizations world leaders in quality. The Institute would provide national leadership, encourage the development of quality networks and information programs, and pursue national and international harmonization of standards based on quality principles.

Who Business, labour, educators, governments, communities, special interest groups, consumer and retail organizations, and media to set up the Institute, with quality networks in all regions and sectors of Canada. Costs would be shared by the participants.

When By end of 1992, establish Institute. By spring 1993, prepare work plan and launch information campaign.

HELPING CONSUMERS BECOME DEMANDING AND DISCERNING

Challenge

To improve consumer knowledge and encourage closer cooperation between business and consumer groups.

Action 2

Develop and implement consumer education programs. Introduce to primary schools, basic instruction on how to become a responsible and demanding consumer and continue the instruction in secondary schools and beyond.

Encourage constructive partnerships between consumers and business, in order to develop a better understanding of mutual objectives, needs and concerns.

Who Consumer groups, business groups (including retailers and manufacturers), educational community and governments.

When By the 1993-94 academic year, basic program to be available in the school systems. Within six months, mechanism for consultation to be in place.

Unleashing Innovation: Getting the Policy Framework Right

Government policies on taxation, public spending, regulation, infrastructure and the domestic market can stimulate or stifle private sector opportunity. Canadians are in fundamental agreement that governments should facilitate what the private sector needs to do to increase prosperity. The question is: What actions can governments take to help create opportunities for innovation?

Our current tax burden is higher than that of our major trading partners. Since 1979, the proportion of our national income going to pay taxes has increased from 30 percent to 37 percent. Over the same period, the United States, our main trading partner, saw only a small increase, from 29 percent to 30 percent. This has nothing to do with our national health and social programs; Canada's tax increases happened long after these basic programs were in place.

Why such a large increase? Because for years all levels of government in Canada have been competing with each other by introducing programs and services of all kinds on borrowed money. However, these programs failed to raise national productivity and generate enough new wealth to pay for themselves. Regardless, governments continued to borrow money, and today they owe more than $615 billion — an amount almost equal to one year's entire output of our goods and services.

The size of this debt and the burden of financing it is threatening the ability of governments to maintain our social programs. Just servicing the debt costs governments, in aggregate, one third more than they spend annually on either health or education. Worse, the addiction to deficits and borrowing continues. We must find ways to provide public services more efficiently, thereby lowering the costs of government and eliminating the need for deficits.

In addition, our tax regime has become so complex that Canadians spend too much time and money trying to find the least-cost path through a maze of technicalities. They could better spend this time and money building competitive enterprises.

The solution? Governments at all levels must learn to live within their budget constraints and make appropriate trade offs to restore fiscal responsibility, economic flexibility and the ability to maintain our social programs. At the same time, Canadians must accept that some reordering of priorities is necessary and that we cannot continue to subsidize businesses.

Governments should reach agreement on a set of principles for taxation so that tax systems can be simplified and their impact on overall economic activity

can be assessed effectively — governments themselves should be held more accountable for their impact. To help the country sustain its prosperity and foster high performance enterprises that capture growing world markets, Canadians need tax systems that do the following: raise the revenues we need for the services we use, without inhibiting our ability to compete internationally; encourage an expansion of investment; reward risk-taking; and allow entrepreneurs to accumulate a sound capital base.

The burden of government is also felt in the area of regulation, where rules imposed for the public good may actually hinder rather than help. Smart regulation can increase competitiveness. It is clear from the Prosperity consultations that governments must be more sensitive to the impact of regulations on the economy and on our ability to compete. In the Steering Group's view, governments must begin to measure and report publicly on the benefits, costs and side effects of all existing and proposed policies so that their impact on all aspects of the economy can be understood fully.

Better ways must be found of coordinating government policies and reducing the overlap and duplication of programs and regulations among jurisdictions. Our governments should lead by example and show Canadians that we can achieve a new spirit of cooperation.

In short, to free up private initiative and lighten the burden of government on the economy, a number of things must happen: a reduction in our deficits and the costs of government; an improvement in our tax systems; and coordination of government policies. The Steering Group believes an independent and public review of the performance of all governments would be a powerful instrument for helping to ensure responsible fiscal and taxation policies over the long term.

If governments implement these measures, there will be a pay off for individuals as we free up resources and enable Canadians to take advantage of opportunities.

Another key to a competitive economy is a strong infrastructure, including efficient transportation and telecommunications systems. Historically, infrastructure has played a critical role in developing Canada's regions. To maintain or expand our infrastructure, we have to look carefully at market and regional development needs, consider greater use of user-pay, and take full account of all costs and benefits, including congestion and environmental, and the potential for rationalization among various transportation and telecommunications systems.

The barriers we continue to impose on the free circulation of money, goods, services and people between provinces are serious detriments to our domestic and international competitiveness. These barriers add an estimated $6.5 billion to our costs each year. It is absurd that we still discriminate against ourselves in this way at a time when our foreign competitors have more freedom than ever to enter our domestic market. Breaking down our domestic trade barriers is vital to Canada's long-term prosperity.

The following are some of the actions governments should take to become productive partners in prosperity.

GETTING GOVERNMENTS UNDER CONTROL

Challenge

To get taxes and spending under control at all levels of government and reduce their burden on Canadians.

Action 3

Reduce dramatically the deficits of all governments through expenditure cuts rather than increased taxes. Assess new programs in terms of their long-term net benefits and finance them by eliminating or reducing other expenditures.

Establish a federal-provincial body or process to:

- examine economic prospects and proposed fiscal stances;
- harmonize fiscal policies, including agreement upon limits for deficits and debt ratios;
- coordinate annual budgetary cycles;
- demystify budget-setting processes for the Canadian public;
- develop standard principles — for example, simplicity, efficiency, fairness, impact on competitiveness and openness to the public — as guides to more effective tax systems, with governments clearly accountable; and
- harmonize the collection, reporting and administration of personal and corporate income taxes and federal and provincial sales taxes.

Who First Ministers, in consultation with business, labour, consumer groups and the academic community.

When By March 1993, timetable for deficit reductions and agreement on budgetary cycle. By December 1993, establish tax principles and harmonize tax administration.

INDEPENDENT TAX AND FISCAL POLICY REVIEW

Challenge

To ensure governments at all levels pursue responsible fiscal policies and taxation systems that do not hinder our competitiveness.

Action 4

Monitor and report publicly on fiscal policies of federal and provincial governments to assess their consistency with stated objectives and their impact on the economy.

Examine the impact on Canadian competitiveness of federal, provincial and municipal taxes, particularly in terms of investment climate and business formation and growth.

Who Prosperity Council to initiate a review of fiscal policies and examination of taxation systems.

When By end of 1993, begin annual policy review and present first taxation report.

COMPETITIVENESS IMPACT OF GOVERNMENT

Challenge

To ensure that government legislation and regulations have a net benefit for the economy and Canada's competitiveness.

Action 5

Use competitiveness impact assessments and regulatory budget to assess all current and proposed legislation.

Who Each government, with an independent performance assessment by the Prosperity Council.

When By April 1993, have procedures in place.

LOWERING GOVERNMENT COSTS

Challenge

To reduce the operating costs of federal and provincial governments.

Action 6

Establish a federal-provincial body or process to harmonize and coordinate policies within and between different levels of government by monitoring current and proposed legislative, regulatory and policy initiatives, by agreeing on national standards and by eliminating duplication and overlap.

Review the number of government departments, agencies and programs, with the objective of restructuring or reducing them. Introduce immediately an implementation plan with tough performance deadlines.

Who First Ministers, with an independent assessment of performance by the Prosperity Council.

When By April 1993, concrete steps by all jurisdictions to be taken.

ELIMINATE INTERPROVINCIAL BARRIERS

Challenge

To create a Canadian common market.

Action 7

Accelerate elimination of interprovincial barriers to the movement of goods, services, capital and people.

Who First Ministers.

When Accelerate current process by December 1992, and reaffirm intention to eliminate all interprovincial barriers by 1995.

■ *Competitiveness Impact Assessments would make governments more accountable for existing and proposed laws and regulations. Some of the questions that should be answered publicly by governments include:*

- *Where does the proposed action or regulation fit within the government's priorities?*
- *Is there still a need for action or regulation, or has the targeted problem already been solved?*
- *Is the action directed at causes or only at symptoms?*
- *Can the action be taken by another level of government, delegated or handled jointly with others?*
- *Is the chosen action or instrument the most efficient, with the highest net public benefit? Could market instruments or self-regulation be as effective as government regulation in terms of meeting policy goals?*
- *What is the impact on the economy and our social goals? Will it bring the best possible benefits? Will there be unintended side effects?* ■

■ *Regulation remains the major activity not accounted for in government budgets. Because few countries make any attempt to develop a total assessment of the costs of complying with regulations or of benefits actually realized, regulations tend to be used excessively, especially when governments are attempting to restrain expenditures. A regulatory budget would analyze, and publicly report on, the cost/benefit impact on the economy of all regulations, and set targets and budgetary ceilings for regulatory actions.* ■

■ *Canada's federal government has relatively more departments and agencies than the governments of many other leading countries. The governments of the United States and the United Kingdom, for example, operate with about half our number of major executive departments, even though they serve much greater populations than ours. Australia has reduced its federal government departments from 28 to 16 over the past decade.* ■

Driving Innovation: Turning on the Technology Engine

Investment in technology is the principal way of maintaining a high-value-added, high-wage economy. A nation's ability to apply technology throughout the economy can be a powerful lever for gaining competitive advantage. Countries that have done this, such as Japan and Germany, are enjoying enormous economic success. However, Canada lags behind most industrialized countries — relatively few of our companies use technology to beat out international competition.

Failure to invest more in technology was a significant reason for our negligible productivity growth in the last 10 years. If we are to match or surpass our competitors in levels of productivity and quality, it is vital that we make a much stronger commitment to the use of technology.

We must place more emphasis on encouraging the use of technology, on actively seeking out and adopting best-practice technology. Governments have tried to promote this but the results have not been impressive. There is such a bewildering patchwork of different programs that companies are frustrated in their search for answers to technical problems. These programs should be consolidated and streamlined.

One effective approach — to help Canadian firms know what is available and to encourage greater use of technology — is to rely more on the federal government's Industrial Research Assistance Program (IRAP). IRAP advisors work hand-in-hand with companies to solve their technical problems, and the program is a good model for the kind of technology support our businesses need. Better knowledge of foreign technology advances would further enhance its effectiveness. Another way of improving our competitive advantage is to let companies depreciate purchases of new technologies more quickly. This would help them respond to the dynamic pace of change and the need for rapid upgrades to remain at the leading edge of technology.

Business and trade associations can also do a lot more to increase awareness of and promote and instil confidence in the use of technology for building capabilities. Technology internships, interchanges, cooperative exchanges, and technology management training can help make this happen.

As the greater use of existing technologies is important, so is the research and development of new technologies. The use and development of technologies reinforce one another — only a sophisticated user of technology can become a proficient developer. Furthermore, companies that emphasize quality and meeting customer needs will become better technology users and better developers of innovative products. Yet, as in its use of technology, Canada's performance in research and development lags behind that of its competitors. The initiative for change lies with the private sector.

Governments can play a supportive role — as the federal government has with the research and development tax credit system, which is among the most generous in the world. The federal government could take further useful action

■ *The Foundation Program, developed by the Open Learning Agency of British Columbia, is a supervisory training program for the workplace that permits individuals to study independently through modules and work toward a diploma. Employers or organizations can use these courses to help their staff learn, in a structured way, about the financial aspects of management, the use of information technologies and other subjects.* ■

■ *The Industrial Research Assistance Program (IRAP), a federally funded program of the National Research Council Canada, has 220 IRAP technology advisors throughout Canada and offices in every province and territory. The IRAP technology network allows firms to draw on the scientific and engineering expertise of governments, universities, and consulting engineering companies to help solve their product or process problems. IRAP also helps with technology enhancement and adaptation projects and small scale research and development. It takes a flexible approach that can be tailored to the particular technology needs of a business.* ■

by strengthening the intellectual property regime. This would stimulate the development, adoption and use of available technologies, particularly in such growing industries as biotechnology and information technologies.

Finally, underpinning our technological competitiveness must be a strong and progressive infrastructure. In the 19th century, the Canadian Pacific Railway bound our country together and spurred national development. To invent our future, we need a 21st-century system to transport information — an electronic highway. In other words, we must construct a national high-speed data transmission link, which, when fully developed, would carry enough data to make Canada a leader in information technologies. Through such a network, we could encourage the spread of technology in Canada, as well as advanced research and development, because scientists in universities, business and government laboratories would have the cross-Canada computer hook ups they need to collaborate.

Initially, the network would link researchers, laboratories and hospitals, but the same infrastructure could be used for business, educational institutions and consumers. Building on Canada's traditional strengths in telecommunications, the project would allow us to gain a tremendous competitive advantage. Among the results: first-to-market with a variety of future generations of networking products, applications and services.

Similar high-capacity networks exist or are under development in the United States, not to mention Europe and Japan. Unless we move quickly, Canadian scientists will be obliged to plug into a north-south network with partners in the United States and we will miss out on an outstanding opportunity to link our own nation and stimulate Canada's full technological capability.

PROVIDING EFFECTIVE TECHNOLOGY SUPPORT

CHALLENGE

To reduce confusion and facilitate access to federal and provincial technology support programs.

ACTION 8

Consolidate government technology support programs into coherent, readily accessible packages, responsive to customer needs and with demonstrable value added. A model for this should be the Industrial Research Assistance Program.

Augment the number of Canada's science and technology counsellors abroad and strengthen their links with domestic technology programs such as the Industrial Research Assistance Program.

Who Federal and provincial agencies and departments with responsibilities for science and technology policies and programs.

When By September 1993, consolidated package to be put in place.

INCREASING TECHNOLOGY USE

CHALLENGE
To accelerate the use of new technology and spur innovation by Canadian companies.

ACTION 9
Make the Capital Cost Allowance depreciation rates for innovative and best-practice equipment and technologies, including patents, licences and software, consistent with their short life cycle.

Who Federal government, in consultation with major national business organizations.

When 1993 Budget.

UNDERSTANDING TECHNOLOGY

CHALLENGE
To improve the capability of managers and the work force to recognize, acquire and use effectively best-practice and leading-edge technologies, and ensure a strong engineering, science and technology skills base.

ACTION 10
Train managers and the work force in effective selection, purchase, use and management of best-practice and leading-edge technologies; and increase the number and quality of engineering, science and technology graduates in Canada through the following initiatives:

- Develop courses in the management of technological change and new product development for delivery through secondary schools, technical institutes, universities and on-the-job training.
- Expand technology "internship" and co-op programs for undergraduate technologists, engineers and scientists coming from universities and colleges.
- Expand advanced professional "interchange" programs for experienced professionals and professors.
- Increase the number and quality of engineers, scientists and technologists.

Who Business, labour unions, trade and professional associations, and universities and colleges (facilitated by governments).

When By the 1994–95 academic year, double the number of internship, co-op and interchange programs, and increase the percentage of new graduates working in firms that did not previously employ engineers.

■ *The School of Business, McMaster University, offers a product management course that covers the management of new products from idea generation through to product development and marketing.* ■

■ *Under the Access Program for Women in Science and Engineering, established in 1989 by the University of Manitoba, female science and engineering undergraduates visit Manitoba primary and secondary schools to encourage students to pursue studies in science. The program uses a personal approach to promote science, portraying a positive image of women in science and science-related careers.* ■

EXPANDING OUR KNOWLEDGE

Challenge

To provide stronger and less expensive protection of intellectual property in order to foster the development of superior technology in Canada, particularly in such new fields as biotechnology and information technologies.

Action 11

Strengthen intellectual property protection, including trademarks, copyrights, patents, and industrial design through:

- more rapid approval of patents by an independent patent office;
- introduction of an effective process to deal swiftly and economically with cases outside court systems; and
- active participation of Canada in international negotiations to improve the protection of intellectual property.

Who Federal government and the private sector, including the Patent and Trademark Institute of Canada, the Canadian Information Processing Society, the Canadian Advanced Technology Association, the Canadian Bar Association, and consumer groups.

When By June 1993, patent office to be operating independently and an alternative dispute mechanism to be in place.

BUILDING A NATIONAL ELECTRONIC HIGHWAY

Challenge

To maintain Canada's lead in information and telecommunications technologies and use it to help us innovate in other industrial sectors.

Action 12

Link Canada by building a high-speed, broad-band electronic "information highway," led by the private sector and funded jointly by the private and public sectors.

Who Private sector, including telecommunications industries, consumer and public interest groups, and provincial and federal governments.

When Project to be initiated by September 1993 and regional test networks to be in place by end of 1994. (Governments should make an immediate commitment for a fixed time period, but conditional upon private sector support. Government involvement should cease by 1996.)

■ *Since 1989, Canada has had a low-speed research and development network that uses underground copper cabling and satellite transmissions to connect 10 regional networks. A new "electronic highway" would upgrade the capability of this network by 1995 with fibre optic cabling that could transmit 1.5 megabits, or 48 pages of text, per second — 24 times the current capacity. Subsequently, the highway would be upgraded to reach speeds that, by the year 2000, would allow the entire* Encyclopedia Britannica *to be transmitted in less than one second.*

The new highway would benefit all sectors of the economy, from fisheries and pharmaceuticals to biotechnology, aerospace and banking. It would have potential applications in areas such as health care (for collaborative medical diagnosis), agriculture (remote imaging for crop forecasting), simultaneous engineering, and distribution of information from data bases around the world. All Canadians would eventually benefit through such applications as creative educational and skills training in the home and sourcing of information and goods. ■

Driving Innovation: Knowledgeable Investment — Unlocking the Potential

Canadian banks, trust companies and insurance companies are among the most financially stable in the world, and this sound financial structure has contributed immeasurably to Canada's continued prosperity. For it is these institutions to which small and medium-sized enterprises — the sector in which most Canadians are employed — turn for financing.

However, as anyone who has had to apply for a loan knows, the focus of lending activity has been primarily on hard-asset-backed lending and investment. In today's knowledge-based economy, where the most valuable assets of the company are often the expertise and know-how of the people who work there, our traditional approach may no longer be appropriate.

The dilemma is a real one: banks, trust companies and insurance companies prosper by matching the deposits (and premiums paid on deposits) of customers with the credit of other customers. The ability of borrowers to earn high returns enables banks to pay rates of interest that attract depositors. Confidence in the judgment of our institutions is therefore critical to the working of the financial system. Not surprisingly, there are rather strict rules to which banks must conform. For example, banks are subject to strict requirements on credit quality that narrow the kinds of lending permissible.

Here then is the problem: in order to underpin a more entrepreneurial and innovative business community — one in which sound risks are taken, new products developed and innovative ideas pursued — the financial community itself must become more entrepreneurial and innovative. Yet at the same time, the amount of risk in the system, and the ability of the system to manage risk, must not be compromised.

In a nutshell, we need a combination of both structural and attitudinal change. Not a wholesale dismantling of a system that generally works well, but an improvement in a system that can and should do more.

A number of changes are needed to ensure this evolution occurs. As the Steering Group listened to Canadians discussing the question of financing our future, we heard a call for three things. First, we heard a call for a new kind of capital, knowledge-based capital, involving investors with more specialized knowledge of specific industries and therefore better able to evaluate the risks and expectations for return. Second, we heard a call for patient capital, capital from investors who take the long view and are prepared to commit funds for product development and exploring new markets in the expectation of long term gain. Third, we heard a call for some tax changes that would encourage these changes.

As set out in the following recommendations, we propose that entrepreneurs pursue a greater reliance on equity rather than debt, especially as a means of taking a small business from its formative stages to a more permanent, growth-oriented footing. We also propose a more flexible and open tier of equity markets as a less risky alternative to private placements.

Our recommendations recognize that small and medium-sized businesses are an important part of our economic landscape, but they have unique challenges to overcome. None is more serious than finding ways in which to expand and grow during the early years. These companies need access to capital and their owners and managers need incentives for growth and development. In return, small business owners must be more prepared to share control of their firms with investors. However, the best and lowest-cost form of capital is retained earnings — money that can be reinvested in the business.

The best incentive for the entrepreneur is a fair reward. If we truly wish to develop a more entrepreneurial economy in which new businesses are formed, new jobs are provided and small businesses grow into larger businesses, then we will have to provide the right mix of rewards. Governments' tax and regulatory systems have to reflect that reality if Canada is to become the location of choice for growing, innovative enterprises.

EASING THE ACCESS TO GLOBAL CAPITAL

CHALLENGE

To permit easier, more flexible and less cumbersome access to domestic and international pools of both debt and equity investment capital.

ACTION 13

Harmonize all current provincial security laws, registration procedures and reporting requirements in order to:

- facilitate access across all domestic and international borders;
- broaden sources of availability;
- reduce direct issuance and administrative expenses; and
- permit the further diversification of risk profiles.

Who Federal and provincial governments, in consultation with investment dealers and their regulators; and foreign securities commissions.

When By June 1993, nation-wide; by January 1994, North America; by December 1994, other major jurisdictions.

■ *The United States has been successful in taking advantage of investor interest in smaller, newer companies and has developed a technically sophisticated electronic "over-the-counter" market, called the National Association of Securities Dealers Automated Quotations (NASDAQ). Dealers use on-line computer links to show buy and sell prices for individual stocks, while operating in an effective and cost-efficient manner that is attractive for smaller firms seeking equity. The Steering Group believes that today we have enough willing investors, capital and opportunities to set up our own Canadian Dealer Network.* ■

OPENING THE DOOR TO LONG-TERM INVESTMENT

CHALLENGE

To improve liquidity of, availability of and access to additional equity investment by encouraging a new category of even more knowledgeable investors.

ACTION 14

Develop a more dynamic and robust over-the-counter equity market, as well as an initial public offering market for new companies to:

- encourage new and growing business to raise true external risk capital regardless of size;
- attract new and diverse investors to small and medium-sized businesses;
- provide additional liquidity support for all investors;
- allow greater risks to be taken by the investors best able and willing to do so; and
- reduce the cost and complexity of registration and other requirements.

Who Provincial securities commissions, the Investment Dealers Association, the major chartered banks and the largest institutional investors.

When By June 1993, both markets to be launched.
Targets to be set for the value of funds raised:
By June 1994 — $400 million.
By June 1996 — $1 billion.

INNOVATING WITH FINANCING STRUCTURES AND SOURCES

CHALLENGE

To unlock the innovative capacity of our financial institutions and entrepreneurs and so better exploit emerging business opportunities.

ACTION 15

Develop and actively promote a broadening of available financing tools and instruments as well as the financing structures used to deliver those tools, in order to:

- support an expanded venture capital market, fully integrated with the financial mainstream;
- increase availability of a wider, more flexible variety of financing options to the entire spectrum of potential issuers;
- tailor financing structures to customers' needs;
- ensure improved opportunities are available equally to community-based institutions, particularly cooperatives and credit unions;
- encourage the creation of new community financial institutions;
- expand use of the new Special Financing Corporations concept, now permitted under the *Bank Act*; and

- encourage formation of a new variety of traditional merchant bank and venture capital enterprises.

Who Investment dealers, banks, trust companies, institutional investors, venture capital associations, Chambers of Commerce, business groups and associations, and consumer groups.

When Within 12 months, amend regulations.
Prosperity Council to report on implementation progress in its first annual report.

GROWING COMPANIES

CHALLENGE
To ensure that small businesses have the opportunity to grow into larger, more complex and diversified businesses.

ACTION 16
Broaden the existing rules and mechanisms for small business to raise external equity in an efficient, cost-effective and liquid manner by:

- increasing the flexibility of investors and their willingness to take risks;
- permitting financial institutions to assume direct equity stakes in other than distress situations; and
- setting up information networks for businesses for sale and companies seeking investment.

Who The federal government, in consultation with business groups and the financial community; and Chambers of Commerce.

When 1993 Budget.
Within six months, information network to be operational.

Driving Innovation: Realizing Canada's Export Potential

Because of Canada's small domestic market, our capacity to generate wealth and prosperity has always depended on our ability to sell our products in world markets. Today, the world marketplace offers Canadian exporters more opportunities than ever, as the process of globalization reduces tariffs and other trade barriers and allows goods, services, capital, technology and people to move around the world with increasing ease and speed.

Yet Canadian companies have been slow to take advantage of these opportunities. A few very large companies are responsible for almost all our export trade, even though small and medium-sized enterprises account for more than 75 percent of our growth in employment. We seem not to recognize that the changing global marketplace is forcing firms of all sizes to become more competitive just to defend their markets at home. Many firms that have never thought of exporting are now in a position to do so. Too many of our businesses are ignoring the fact that successful export ventures would increase their profitability, allow them to grow faster, and strengthen their ability to survive as competition intensifies at home.

■ *One positive step forward is the Forum for International Training Trade (FITT) of the Canadian Chamber of Commerce. Designed as a professional training program for export development for owners and managers of smaller businesses, and developed with representation from business, labour and the provinces, it will go a long way toward helping firms learn more about export procedures and penetrate markets in the United States and elsewhere. FITT works in conjunction with federal government programs including New Exports to Border States (NEBS), New Exporters to the U.S. South (NEXUS) and New Exporters Overseas (NEXOS). Through labour-management cooperation, FITT also emphasizes skills development to improve understanding of foreign markets.* ■

■ *In the United States, there are provisions for tax reductions and exemptions on international export earnings from foreign sales corporations. These provisions encourage international alliances and greater economic export in foreign countries, including Canada, but also bring benefits to the home base. They can have a significant influence on investments by multinationals when deciding where to locate a base intended mainly to develop several export markets.* ■

To secure our prosperity, we must improve our ability to trade in the global marketplace. The private sector must take the lead because only the private sector can develop a global trade, technology and investment strategy capable of improving our performance. Individual firms should take the first steps, assisted by the more active industry associations.

This is only a part of what is needed, however. Improved access to the principal markets of the world is a fundamental requirement for success. This means bringing a successful conclusion to the current round of negotiations on the General Agreement on Tariffs and Trade (GATT) so that worldwide trade can expand. It also means Canada must develop stronger trade ties with the new Europe, the Americas and the dynamic economies of the Asia-Pacific market.

Negotiating better access to foreign markets helps only if we also are aggressive in protecting and pursuing our trading rights. Canada must exercise fully and, if possible expand, the rights it has won at the bargaining table, or we will lose those legitimate rights in practice and see our export opportunities dwindle, along with our attractiveness as a location for investment.

Many factors can reduce our competitiveness on domestic and foreign markets and so make Canada less attractive for investors. For example, Canadian tariffs on some of the items we import are two or three times higher than those paid by our United States competitors. This raises our costs and is an issue that requires immediate attention. Our companies are also placed at a disadvantage because the United States encourages exports by giving tax support for the establishment of foreign sales corporations.

One final example: despite the high degree of economic interdependence between Canada and the United States, exports from both countries continue to face considerable risk at the border because of the use of trade practices such as anti-dumping. In this case, competition policy — otherwise known as anti-combines or anti-trust policy — offers a more realistic alternative because it attacks unfair business practices on an even footing for domestic and imported products alike, and so is less likely to be misused.

The actions that follow are intended to boost Canada's export performance and make Canada a leading location for investment.

DEVELOP AN INTERNATIONAL BUSINESS STRATEGY

Challenge
To capture a larger share of global markets.

Action 17
Develop a coordinated global trade, investment and technology strategy led by the private sector to increase exports, double the number of firms exporting and promote strategic alliances. Define effective roles in training and promotion for businesses, trade associations and the federal and provincial governments.

Who Private sector, facilitated by a broadened International Trade Advisory Committee (ITAC), with active involvement of business and trade associations, and federal and provincial governments.

When By June 1993, announce first collaborative strategy; within 36 months, double our number of exporters.

FOCUS GOVERNMENT SUPPORT

Challenge
To make federal and provincial business development programs more effective.

Action 18
Consolidate trade development programs to eliminate duplication and overlap.

Concentrate federal government efforts on program delivery abroad by providing export incentives programs and export financing to match the global competition; and ensure timely dissemination of international market information by the Trade Commissioner Service through an easily accessed network.

Focus provincial government efforts (integrated with federal programs) on bringing new firms — especially small and medium-sized firms — to export readiness, in particular through programs targeted at firms using the United States as a starter market.

Who Federal and provincial governments.

When By January 1994.

OPENING ACCESS TO MARKETS AND EXERCISING RIGHTS

Challenge
To maintain our position as a major trading nation through constant penetration of new markets around the world, and to make Canada the pre-eminent investment location in North America.

Action 19
Pursue a successful conclusion to the GATT trade negotiations and improve our trading relations with the new Europe, the Americas, and the dynamic economies of the Asia-Pacific region.

Pursue our trading rights aggressively through vigorous use of the dispute settlement procedures of the GATT and the Canada-U.S. Free Trade Agreement (FTA).

■ *The Uruguay Round of the GATT multilateral trade negotiations is the most ambitious since World War II. Involving over 100 countries, it aims at the progressive reduction and elimination of trade barriers. It seeks to extend disciplines to services and agricultural trade for the first time and to improve controls on intellectual property and trade-related investment measures. Other goals include better rules for resolving disputes and for the functioning of the trade system, as well as for subsidies and product standards. As a country reliant upon trade, Canada is expected to gain from new rules in several areas and from better trade access, when the current round is concluded.* ■

■ *The Canada-U.S. Free Trade Agreement (FTA) is based on the GATT and was negotiated to broaden trade opportunities and secure access to Canada's largest market, while fostering an outward-looking and competitive domestic market. The North American Free Trade Agreement (NAFTA) builds on the FTA to enable Canadian companies to compete in the American market on the same terms as Mexican companies, and in the Mexican market on the same terms as American companies. At the same time, NAFTA seeks to safeguard Canada's position as a destination for investment intended to serve the North American market.* ■

Bring import duty rates on inputs into line with United States rates.

Seek to replace anti-dumping trade practices under the FTA with competition policy.

Who Federal government in consultation with International Trade Advisory Committee and trade associations.

When Within six months, conclude GATT; within 12 months, complete import duty rate alignment; within 18 months, eliminate anti-dumping practices.

Environment: Opportunity in Action

Let's look at a concrete example of how an innovative society can build opportunity. Canadians are strong supporters of a cleaner, healthier natural environment. They want the country to provide global leadership, not only in setting international standards, but also in putting science and technology to work to clean up problems here at home.

The pressing need to address the problems of the environment creates an opportunity to put into practice all that we have discussed in this chapter — innovation to develop new products and processes; the quality approach, with businesses responding to customer demands and seizing new market niches at home and abroad; and governments establishing a regulatory framework that encourages businesses to innovate and become environmentally responsible.

■ *The underlying philosophy of sustainable development is that long-term economic growth depends on a healthy environment and so environmental and economic decision making must be integrated. Sustainability is therefore a form of progress that meets the needs of the present without compromising the ability of future generations to meet their needs.* ■

Sustainable development is a daunting challenge for all of us — individuals, business, industry and governments. Increased public awareness of the environment has pushed industry to place a much higher priority on how its products are produced, marketed and disposed of. Industries that are based largely on natural resources are particularly vulnerable to tighter environmental regulations and public scrutiny. With proper management, however, industry can turn what seems like a burden into an outstanding opportunity — an opportunity that can satisfy both environmental and economic concerns.

Because of Canada's vast land and water masses, our science, technology and business communities have developed considerable expertise in earth and environmental sciences. If harnessed, this expertise, along with a wealth of experience in natural resource management, can provide Canada with a competitive advantage in meeting the fast-growing international and domestic demands for environmentally friendly products, processes and services. Changing consumer preferences promise strong rewards for firms that can integrate commercial and environmental goals, because the world market for the new environment industry is estimated to grow to $375 billion by the end of this decade.

LEVERAGING CANADA'S STRENGTHS

Challenge
To mobilize Canada's potential in environmentally sensitive practices in order to win competitive advantage and ensure sustainable development.

Action 20
Establish a Centre of Excellence for Sustainable Development to encourage joint research and development by industry, universities and governments.

Who Governments, in collaboration with the private sector and universities.

When Within six months.

The Government's Role

Government policies, regulations and practices must stay in tune with the needs of citizens, and with the private sector as it adjusts to meet new environmental responsibilities and take advantage of new opportunities. First, there must be greater clarification of the existing rules and regulations related to the environment — for example, the extent of environmental liability. Second, federal and provincial regulations must be better coordinated and harmonized within Canada so they may meet with international regulations. Regulations and standards must be developed through an open, fair and responsive process involving industry and governments to ensure we meet our environmental goals without reducing the short-term competitiveness of our industries.

Government regulations have a major impact on how efficiently we reach our environmental goals. Regulations can encourage innovation by moving beyond the traditional approach of command and control. Setting the environmental standards to be met, yet not specifying the technologies to be employed, encourages industries to develop efficient, economical and environmentally friendly processes and to show that sustainable development practices pay off.

USE MARKET MECHANISMS

Challenge
To help achieve environmental sustainability.

Action 21
Emphasize use of economic incentives and the role of markets when adopting environmental regulations to achieve better balance among direct enforcement, self-regulation and economic forces.

Who First Ministers, with advice from national and provincial Roundtables on the Economy and the Environment.

When By summer 1993, review all appropriate regulations.

■ *There already exist in Canada 15 national Centres of Excellence that bring together top researchers from universities, industry and government to pool their respective resources and talents, create commercial opportunities and accelerate the transfer of new technologies to industry. The Centres concentrate on a wide range of subject areas — from space research and advanced industrial materials to human aging — and are building productive partnerships between the public and private sectors. A Centre of Excellence for Sustainable Development will focus research on environmentally sustainable practices and products for use throughout the economy.* ■

Investing in People: Sustaining our Greatest Resource

The greatest returns from innovation come from a continuous effort by labour and management, working in concert, to apply technology to produce goods and services that are better and cost less than those of the competition.

Successful innovation, however, goes beyond the acquisition and development of new technologies. Innovation and the pursuit of quality also means finding the best method of doing things with the resources at hand and in the face of constantly changing market conditions.

It has been shown repeatedly that how work is organized and how existing equipment and space are used in the production process is as important as having access to the latest technology. This too depends on labour and management working together to achieve goals that benefit both sides.

The main requirements for successful teamwork between labour and management are well known:

- Mutual trust: management shares financial and strategic information with employees, as well as control over day-to-day operations; employees show willingness to undertake different jobs and consider different forms of remuneration tied to the organization's performance.
- A commitment by management to work continuously with labour and make every effort to maintain employment.
- A heavy emphasis must be placed on training and retraining employees.
- Extension of the teamwork concept down to the shop floor and out to the service counter, so that all employees have a greater share of responsibility and rewards, and are given a personal responsibility to help solve production and marketing challenges.
- Extension of the teamwork concept to national organizations and industry associations so that labour and business can agree on common objectives at the national and industry levels and together plan long-term competitive strategies.

■ *The Canadian Labour Market and Productivity Centre has made a good start in labour-management teamwork at the national level, while successful industry models include the Sectoral Skills Council in the electrical and electronics sector and the Canadian Steel Trade and Employment Congress.* ■

THE LABOUR-MANAGEMENT OPPORTUNITY

CHALLENGE

To adopt and promote labour-management teamwork as the basis for doing business in Canada. Management and labour at the national, industrial and individual business levels need to commit themselves to working together to find the best ways to produce high-value-added, high-wage goods and services that are competitive on world markets.

ACTION 22

Accelerate the development and promotion of Canadian models of labour-management teamwork by drawing on existing expertise, conducting pilot projects, and assisting firms with advice and start-up support.

Who The Canadian Labour Market and Productivity Centre, industry associations and labour unions, with enhanced support from the federal Department of Labour and provincial governments.

When By June 1993, nation-wide program to be in place.

ACTION 23

Promote labour-management cooperation by building national forums for industry associations to pursue common objectives.

Who Canadian Labour Market and Productivity Centre, with industry associations and labour unions.

When By April 1993, the Canadian Labour Market and Productivity Centre to coordinate the first series of national forums.

ACTION 24

Adopt labour-management teamwork as the normal way of doing business in Canada. Seek out advice from the sources mentioned above and from people with special expertise on how to achieve effective and permanent organizational changes.

Who Canadian shareholders, managers, national and industrial associations, and unions.

When Immediately — Prosperity Council to monitor and publish assessment in its first report.

■ *The Western Wood Products Forum brings labour and management together so they can find solutions to problems of employment and the health of Canada's wood products industry. The forum concentrates on solutions developed through joint business-labour research and is developing models for labour adjustment and resource management. It also acts as an advocate before all levels of government for policies and programs that better address the needs of the industry.* ■

Support for Employee Adjustment

The best way for an organization to adjust to changing economic conditions is for labour and management to plan ahead and prepare employees to take on new and higher skill jobs through continuous training programs. This type of innovation will occur naturally if there is effective labour-management teamwork in the organization.

However, there will still be times when layoffs are unavoidable. When this happens, it is critical that affected workers be given the opportunity to re-enter the work force as quickly as possible. Skills, work habits and morale deteriorate when a person is unemployed. It is at this point that public support is most needed. A newly unemployed worker should be presented with constructive options immediately: rapid placement into a similar job at another location; upgrading of existing skills for a similar position, but at a higher technical level; or extensive retraining to acquire new skills and knowledge for a significant career change.

The key element in such an adjustment strategy is income maintenance during retraining and job search. Also important are advice on the skills most in demand and the type of retraining that will be most effective, and the provision of good training programs.

Governments have a pivotal role to play in providing support in all of these areas. Provincial government legislation should ensure consistent and adequate levels of severance pay and sufficient advance notice of layoffs. Governments could make better use of existing public funds — for example, by redirecting unemployment insurance more exclusively toward income maintenance for those unemployed workers who are actively pursuing retraining.

Governments also can help by removing those barriers that many unemployed workers must now overcome in returning to the work force. Standardizing skills requirements for trades across all provinces and territories, providing greater relocation assistance, and eliminating all barriers to the free movement of goods, services and people within the country would enhance the ability of the unemployed to find new jobs.

EMPLOYEE ADJUSTMENT

CHALLENGE

To provide workers with a much greater capacity to adjust to changing economic circumstances.

ACTION 25

Develop a comprehensive, nation-wide approach to worker adjustment based on the following principles:

- a collaborative labour-business commitment to retraining and skills upgrading;
- better information on the skills and knowledge needed to secure future employment;
- harmonization of provincial standards for skills and other employment requirements;
- assurance that unemployed workers will receive the financial support necessary to allow their productive return to the work force, including sufficient advance notice of layoffs, a national insurance approach to severance pay, and an increased emphasis on retraining support for workers on unemployment insurance; and
- direction of public adjustment funds to individuals, rather than industries.

Who Strategy developed by the Canadian Labour Market and Productivity Centre, at the request of the Prosperity Council, in partnership with the federal and provincial governments. Prosperity Council to monitor regularly.

When By April 1993, strategy to be tabled.

Building a Learning Culture in Canada

Canadians have always placed great importance on education as the foundation of prosperity. "Work hard and get a good education" is the advice passed down from generation to generation, and it has worked well for many individuals, the economy and society.

Canada spends 7.2 percent of its gross domestic product (GDP) on education, the highest percentage of any developed country, and a total of $55 billion a year on both education and training. Yet is is clear from the Prosperity consultations that Canadians are concerned we are not getting value for our investment.

Canadians are asking whether the systems that have served us so well in the past are adequate to meet our future needs. They are worried about accessibility and equity, literacy and drop-out rates, our performance in mathematics and science, the preparation of students for the working world, and opportunities for training in the workplace. They wonder whether we are prepared for a world in which we must rely more on brains than on brawn to innovate and compete.

There is broad agreement that improving the quality and relevance of education and training is the most important priority if we are to prosper. Canadians want refocused, reinvigorated learning systems with stronger ties to the community and the working world. These systems must apply new ways of teaching, and make full use of innovation and available technologies, as well as new models of delivery such as distance learning.

What follows is a strategy to create a stronger learning culture in Canada. This means a focus on excellence and results; a commitment by all Canadians to lifelong learning; completing present efforts to make learning opportunities available to everyone; more choice and alternatives about how, when and where one learns; the sharing of new responsibilities; and the creation of new partnerships.

This strategy will bring about one of the most ambitious transformations ever in the history of our educational systems. It has four elements.

The first and most important is turning our learning systems around so that they focus on results and ensure that students actually learn — that is, succeed in mastering new knowledge and skills, and acquire new attitudes. To do this, we need a forum for discussion of Canada-wide issues — a body that will promote and facilitate change. The other strategic elements are: making the systems flexible so that every Canadian has a lifetime of learning

opportunities; using innovation and technology to help bring about and support change; and building personal commitment to learning.

BUILDING A STRONG LEARNING CULTURE: THE STRATEGY AT A GLANCE

1. Focus on results
   - Define expectations
   - Move to competence and portable qualifications
2. Make learning continuous
   - Ensure children get a good start
   - Combine the worlds of work and school
   - Enrich and widen availability of post-secondary learning
3. Innovate to strengthen the systems
   - Take advantage of new technologies
   - Modify teacher training
4. Involve all Canadians
   - Build commitment to learning

Focus on Results

Canada spends more per capita than most industrialized countries on education, but Canadians believe that our students perform relatively poorly. Too many young people are not ready for the work force or for skills training because they drop out of school or graduate without basic skills in reading and arithmetic.

Increasingly, Canadians believe that we have been putting too much emphasis on the manner of teaching and learning rather than on the acquisition of knowledge and skills — the process has become more important than the results.

Our education and training systems must focus on performance. This means a complete change of direction, but one that must be made if students are to meet the challenges of the future.

As a first step, we must decide what we want our learning systems to achieve. There is growing interest in defining our expectations for our learning systems and in defining key skills and competencies we expect people to have acquired at various stages of their education and training. A number o proposals have been developed by educators, provinces and business groups. We now need to work together to define a common set of expectations and to make them a reality. This requires the involvement of all key players — learners, parents, employers and labour unions, as well as educators at all levels.

Whatever the expectations we agree on, one thing is clear: a focus on results means defining those results in terms of an individual's competence — the ability to do certain things and accomplish specific tasks.

This competence-based approach makes it easier to tailor learning to individual needs, lets learners move at their own pace, provides clearer indications to employers of the skills of potential employees, and makes possible a system of portable qualifications for individuals working anywhere in Canada.

Tools and instruments to assess the competencies that individuals have acquired will have to be developed, along with new curricula and reporting mechanisms. Considerable creativity will be required to build a full competence-based systems, since not all competencies can be assessed through standardized tests.

It also will be necessary to assess and monitor the performance of the systems and their components. Indicators that are related to Canadian and international standards will be needed. The results of standardized testing will serve as useful indicators of achievement, but not the only indicators. Others, such as the proportion of students completing high school, can be used to monitor our success in achieving key objectives.

The public has the right to know how we are progressing in our quest for high-quality results and performance. While learning is a shared responsibility, learning institutions must be accountable to their clients and provide information on results and outcomes.

To build systems that focus more directly on results means dramatic and complex changes that will require careful guidance Canada-wide. At the moment, there is no single institution capable of filling such a role. We are therefore proposing the creation of a new body to operate at arm's length from governments, a body that respects provincial jurisdiction over education, but that involves all players in the field of education and training.

The following actions will build competence-based systems:

CANADIAN FORUM ON LEARNING

Challenge

To establish a body that would bring together providers and users of education and training from across the country and enable them to work constructively together in pursuit of common goals.

Action 26

Establish a Canadian Forum on Learning to:

- lead a process to develop a statement of expectations for education and training in Canada;
- monitor implementation of the action plan and publish progress reports;
- encourage partnerships and collaborations;
- coordinate and promote special initiatives to eradicate illiteracy (see Action 51) and to promote interest in learning through a major communications campaign (see Action 42);

■ *In an effort to define goals for education and to pinpoint critical skills and abilities, provincial governments, business-education groups like the Conference Board of Canada, and other educational organizations like the Canadian School Board Association, have reached remarkably similar conclusions. Generally considered to be essential are the ability to read, write and work effectively with numbers, as well as the knowledge of core subjects. Also found to be critical are creativity, self-esteem, communications skills, self-management and interpersonal relations. These abilities are in growing demand in the workplace and play an important role in all aspects of an individual's life.* ■

- promote change, innovation and excellence; and
- report to the public at least once a year at an open meeting.

The new forum should involve providers and users of learning, be jointly funded by the federal and provincial governments and the private sector, be supported by a secretariat, and have a limited initial mandate of five years.

Who Prosperity Council to establish the forum.

When Forum to be operational within six months of set-up of Prosperity Council.

CHANGE THE FOCUS TO COMPETENCE-BASED SYSTEMS

CHALLENGE

To change the focus of Canada's educational and training systems by basing them on results, and to introduce competence-based systems.

ACTION 27

Take the following steps to introduce competence-based systems to cover all levels of education and training:

- define success in learning in terms of demonstrated skills, knowledge and attitudes — as related to defined expectations and achievements of individuals;
- develop appropriate measuring tools to assess the progress and achievements of individuals;
- inspire the necessary changes in teaching methods and organization (for example, new ways of reporting achievements, new ways of providing learning tailored to individual needs, and new curricula);
- determine a set of qualifications for admission to continued education and training, as well as for recruitment and promotion by employers; and
- establish a registry of the skills, knowledge and achievements of individual Canadians that would be recognized throughout Canada.

Who Provincial and territorial governments, in cooperation with faculties of education and school boards, to introduce competence-based approach to primary and secondary education.

Universities and colleges to develop a common set of competency expectations for admission as well as graduation, ensure that credits are transferable from one institution to another, and accept credits for prior learning wherever it occurred.

Employers, labour and industry (sector) groups, working under the leadership of the Canadian Labour Force Development Board, to develop and use qualifications related to employment.

Governments to provide financial support and coordination as necessary, particularly in the development of a Canada-wide skills registry.

When Within five years, all secondary school graduates have earned competence-based diplomas.

■ *In 1988, Georges Vanier Secondary School, North York, Ontario, began to introduce a skills-based approach to education. Working with representatives from business, industry, labour and post-secondary institutions, as well as parents and students, staff have identified specific skills students should acquire and detailed skills profiles for each, including a clear statement of the competencies they should have achieved before graduating. Four areas are included: problem-solving skills, communication skills, personal skills and application skills (computers, technology and telecommunications). To assist teachers, specific learning strategies and activities have been identified for building these skills, and assessment and evaluation approaches have been provided for each.* ■

■ *Under its Personalized and Continuing Education Program (PACE), Ernest Manning High School in Calgary offers a learning experience tailored to accommodate the learning needs of individual students. The program is based on the principles that students should manage their own learning and that advancement should be based on proven competence in each course unit, with tests as students feel ready.* ■

MONITORING SYSTEM ACHIEVEMENTS

Challenge

To establish indicators of performance, based on Canadian and international standards, for education and training.

Action 28

Develop for use across Canada a set of indicators of system achievement that can be used to assess student achievement relative to Canadian and international standards.

Expand the School Achievement Indicators Program of the Council of Ministers of Education, Canada to more subject areas and more age groups.

Who The Council of Ministers of Education, Canada, the Canadian Labour Force Development Board and the Canadian Forum on Learning.

When Within one year, all provinces to agree to expand the School Achievement Indicators Program.

■ *Under development by the Council of Ministers of Education, Canada, the School Achievement Indicators Program will provide a Canadian information base to help provincial ministries and departments of education assess the performance of their educational systems and students, and identify priorities in education. Information will show achievement levels in reading, writing and mathematics for 13 and 16-year-old students, as well as participation and graduation rates.* ■

COMMITMENT TO QUALITY AND SERVICE

Challenge

To make institutions more responsive and accountable to students, families and communities and to encourage institutions to provide more information on performance.

Action 29

Apply the principles of continuous quality improvement to learning institutions. This means:

- identifying client needs and satisfaction levels;
- making decisions as much as possible at the local level, where there is more flexibility to respond to local needs;
- involving clients and staff in decision making and working together with parents and the community; and
- assessing performance against clear measures of achievement and publishing the results of such assessments in annual quality achievement reports.

Who Schools, post-secondary institutions and school boards with the cooperation of their clients.

When Publish first reports within two years.

■ *The Northern Alberta Institute of Technology (NAIT) has introduced a three-part strategy for incorporating Total Quality Management (TQM) into its activities. TQM is being implemented internally, integrated into NAIT instructional programs, and customized for Alberta businesses and industry through a NAIT TQM Institute. A Quality Council has been established, a Quality Coordinator has been appointed, and several pilot projects are now under way.* ■

Creating Continuity: Moving to Learning throughout Life

Canadians need to be assured that learning is available to everyone throughout their lives. Many of the key pieces are already in place, but we need to fill vital gaps, strengthen linkages between the various elements of our learning systems, and change how we do some things. We must also provide more flexible and accessible options and alternatives such as distance learning.

Already, in many ways and in many parts of the country, positive things are happening to bring about more continuous and flexible education and training systems. Yet there are some serious problem areas that need more attention. For example, although a secondary school diploma is the minimum foundation for adult life and for most jobs, too many young Canadians leave school without one.

Another vital challenge is the need to increase interest in mathematics, science and technology-related skills. Solutions for this and other problems can be developed if we focus on results and define our expectations in the manner described above. The Steering Group has therefore confined its recommendations to a few significant actions it believes are urgently needed. Most of these actions are designed to ensure the education and training systems are reinforced at the transitional and post-secondary stages so that they can make lifelong learning a reality.

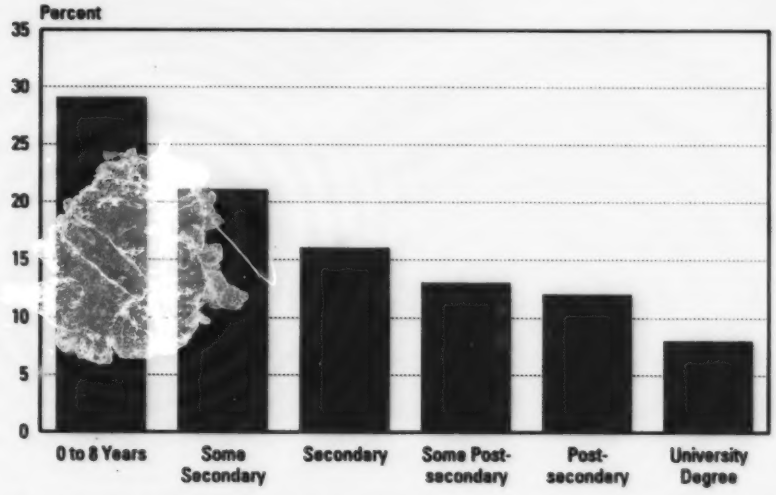
We need to ensure that our children come to school ready and able to concentrate on learning and eager to learn. The preschool years have a significant impact on a child's interest and ability to learn. A number of environmental factors are fundamental to future learning success, such as maternal nutrition during pregnancy, parental interest and participation in the child's learning, a sense of security and well-being, and a stable home environment free from violence and psychological abuse. Early investment pays. It is more effective to start properly than try to correct and rehabilitate later in life.

We must build stronger links between schools, other learning institutions and the world of work. Many Canadians think that schools focus too narrowly on those who will go directly to post-secondary schooling and do not encourage students to consider careers in trades and technology. Specific vocational or work-related education programs are disappearing at a time when the demand for skilled workers is increasing. Employers continue to complain that students are not ready for work and are not familiar with the technologies they will use on the job.

This does not mean schools should focus exclusively on preparing students for the world of work, only that they should make this more of a priority. Students should be given a chance to acquire some basic work skills and should be exposed to some of the demands of the workplace. Employers will have to be active participants. Students and their families must be given information on career options and on further learning opportunities throughout their careers.

It is becoming more and more important that young Canadians have at least a secondary school diploma as preparation for full participation in Canadian society. The drop-out problem is complex and is being addressed in a variety of innovative ways by communities, schools, governments, students and parents. The challenge is to find out what works and do it. Each school and community should have a strategy to encourage youth to stay in school and to provide alternative learning opportunities for those who need to learn elsewhere.

UNEMPLOYMENT RATE BY EDUCATIONAL ATTAINMENT FOR YOUTH (15 TO 29 YEARS OLD), CANADA, 1991



Source: Employment and Immigration Canada.

Our colleges and universities face increasing demands for effectiveness. These institutions are catering more and more to older students, who are attending later in life or who are returning to upgrade their skills and knowledge in preparation, perhaps, for new careers. Many of these students already have workplace experience. Many are balancing school, work and family responsibilities. The trend will continue as we build a learning culture. Colleges and universities are responding to such changes, but not as quickly as some would like. To become more responsive, these institutions must take advantage of more innovative ways of teaching.

We need to keep upgrading the work force. Much learning, both formal and informal, takes place on the job. Employers are responsible in large part for providing the opportunities for workers to learn and progress. Training employees is an important part of the commitment to quality. In the long run, firms that train and invest in their work force wisely will have the best chance of succeeding.

Yet, there are clear indications that, compared with their major competitors, Canadian employers are not investing enough in work force training. The Canadian Labour Force Development Board is working to build

a stronger training culture, and many industrial sectors are working together to reconsider their human resource development programs to see what they must do to stay competitive. These initiatives should continue to be supported.

However, we do not as yet have clear expectations about the level of training employers should provide, and the small and medium-sized companies that employ the bulk of our work force often do not have the resources to provide training on their own.

Good managers are crucial to success and to Canada's prosperity. Canadian management could well be one of the weak links between our use of human resources and the quality of Canadian products and services — and our ability to compete. We must broaden access to management training, as most Canadians will need to use management skills at some time in their careers.

The quality of management is an issue that affects all organizations, not just business. It affects the performance of governments, for example, and of community organizations in the voluntary sector. Yet too often our management training has been directed more or less exclusively at those choosing business careers.

The following are specific recommendations for each of the areas outlined above:

A GOOD START FOR ALL CHILDREN

CHALLENGE

To ensure that children get the right start in school. We must make the well-being of our children our highest priority.

ACTION 30

Provide:

- parenting skills training in prenatal classes and for all teenagers, and ongoing opportunities in local community centres for the development of these skills;
- nutritional and diet supplementation, where necessary, for pregnant women and for children who otherwise would be inadequately nourished;
- early childhood education and health care of the highest quality;
- increased support for programs for abused women and children including: identification of children who need help; information on the extent of abuse, its root causes and where to get help; prompt provision of counselling and other remedial help for abused children; and enforcement of legislation that protects all Canadians from domestic abuse; and
- greater support for programs and policies that ensure employees can meet critical family responsibilities.

Who All levels of government, employers, and voluntary and community organizations.

When Action to be under way within 12 months.

■ *The Community Child Abuse Council of Hamilton-Wentworth, Ontario, has introduced a three-part educational program to address family violence prevention. A handbook for the prevention of family violence is being developed. The other program components are in-service education through workshops and courses for teachers in order to raise awareness, particularly in the area of wife assault and the effects on children who witness; and the development of a Family Violence Prevention Curriculum to be used with students from kindergarten to high school in three local school boards. The overall goal of the curriculum is to develop a child's knowledge, skills and attitudes in six areas: healthy relationships, personal safety, communication skills, self-esteem, prevention of stereotyping and family violence awareness.* ■

BRINGING THE WORLD OF WORK INTO SCHOOLS

CHALLENGE

To ensure young people are ready to enter the world of work when they leave schools, colleges and universities.

ACTION 31

Provide secondary and post-secondary students with practical knowledge of the workplace through co-op opportunities, job shadowing and school-business partnerships.

Allow secondary school students more opportunity to develop skills in technologies, trades, business and the applied arts by strengthening existing vocational and trades programs, broadening apprenticeship arrangements, and expanding the number of combined work-school programs now emerging.

Make accurate information on non-professional careers in the trades, technologies and the applied arts more widely available in schools and to parents.

Encourage school partnerships with community businesses and organizations such as hospitals and manufacturers that offer a wide range of types of jobs.

Help teachers to become more familiar with the workplace environment by creating opportunities for them to spend time in local businesses and organizations.

Give all students opportunities to become familiar with practical applications of mathematics, science and technology by:

- integrating the use of computers into the classroom, starting in elementary school;
- including hands-on learning about familiar tools, machines and technologies in elementary and secondary school studies;
- developing a mandatory course to make secondary school students more familiar with basic technologies;
- bringing people who use these technologies into the classroom;
- providing teachers with the necessary training and support;
- providing the equipment and software needed (see Action 36); and
- encouraging student interest in technology, mathematics and science, particularly among young women.

Who Provincial and territorial governments, the federal government, school boards, post-secondary institutions in collaboration with communities, employers and unions.

When Within three years, all students leaving high school to have work experience and be computer literate and proficient.

■ *In Alberta and Ontario, two unique programs allow senior high school students to continue with their schooling while simultaneously training as registered apprentices. One is the Registered Apprenticeship Program (RAP), which is being run as a pilot in Alberta. The other is the Secondary School Workplace Apprenticeship program (SSWAP) in Ontario.* ■

■ *The Innovators in the Schools/ Frontrunners Network brings scientists, engineers, technologists and top students into the classroom to encourage student interest in mathematics, sciences and technology. Participants, who include retired scientists, working professionals and university and college students in mathematics and science, fill a variety of needs, from classroom experiments to mentoring to job-shadowing, and work closely with teachers and schools.* ■

COMPLETING SECONDARY SCHOOL

Challenge

To increase the number of young people completing secondary school. A concerted effort by communities, parents and educators is required to ensure that all young Canadians have a strong foundation before leaving school.

Action 32

Develop and implement strategies in each community to ensure that all youth complete secondary school. Emphasis should be placed on:

- ensuring that all students have a mentor — either a teacher, parent or other member of the community;
- tailoring programs to individual student needs and adopting flexible teaching methods;
- adopting flexible entry and exit policies for schools (for example, hours of school and age requirements);
- finding learning alternatives outside school, where necessary, to meet the needs of the student;
- giving students a taste of the workplace (see Action 31);
- providing credit for learning that has occurred in out-of-school settings;
- intervening early and effectively to address learning problems; and
- ensuring that effective social services are available at each school, as necessary, and are delivered in close collaboration with educators.

Who School boards, schools, parents and communities.

When A strategy to be developed in each community within two years.

■ *Petro-Canada, the Ottawa–Carleton Learning Foundation and other local organizations have collaborated to establish a Student Learning Centre for at-risk students and drop outs. Participants work at a local Petro-Canada service station where they receive a combination of work experience, on-the-job training and classroom teaching, which equips them with a range of practical, job-related skills. They also can earn up to three credits toward a Grade 12 diploma. Since the centre was started in 1986, more than 68 percent of participants have returned to school.* ■

POST-SECONDARY INSTITUTIONS

Challenge

To encourage post-secondary institutions to become as flexible as possible and responsive to changing requirements.

Action 33

Use more information and communications technology to increase access and flexibility.

Provide more opportunities to learn away from the campus through community outreach and distance learning.

Drop any artificial time constraints, residency requirements and age-related barriers.

Promote cooperation between institutions.

■ *Holland College in Charlottetown, P.E.I., was the first educational institution in Canada to offer employers a warranty on its graduates. If the skills of its graduates prove inadequate on the job, the college retrains them.* ■

Encourage distinctiveness and specialization.

Introduce a system of credits based on proven competence (see Action 27).

Ensure that credits acquired from all sources of learning will be recognized by all post-secondary institutions and are fully transferable.

Adopt different approaches to teaching and other activities that reflect the needs of the adult learner (particularly the part-time student) and that make use of the experience of adult students to enrich programs.

Who Universities and colleges with the cooperation of their communities.

When Within three years, all colleges, and universities to develop suitable restructuring plans in consultation with their communities and clients, and to have put in place a system of transferable credits for individuals that covers both colleges and universities.

EMPLOYER-LED TRAINING

Challenge

To encourage employers, particularly those with small work forces, to increase work force training.

Action 34

Promote a dedication to quality by training employees, as required, to work with new technologies. Training should include upgrading of literacy, numeracy and other needed skills.

Provide training to employees that totals at least 2 percent of working time each year — that is, approximately one week of training for each employee.

Help small and medium-sized companies in Canada to incorporate new management practices and train their work forces by:

- encouraging employers to join with others in their industry to plan human resource and training needs;
- promoting the formation of alliances for training purposes; and
- providing up-to-date information on latest management practices and innovative ways of helping employees develop necessary skills.

Who All employers and business and industry organizations, in cooperation with workers and unions. The Canadian Labour Force Development Board to take a lead role, along with the proposed National Quality Institute (see Action 1).

When Within two years, all employees to be receiving at least one week of training a year.

■ *As part of its mandate to develop a human resource strategy for the automotive industry, the Canadian Automotive Repair and Service Council (CARS) has developed a National Core Curriculum for Automotive Service Technician Apprenticeship Training. This outlines industry-wide standards for the training of fully qualified technicians. The standards were developed in consultation and cooperation with provinces and territories.* ■

■ *In 1990, the Electrical/Electronics Manufacturing Association of Canada (EEMAC) Skills Council established the Sectoral Training Fund to increase industry training and encourage active participation by management and workers. Twenty-seven workplaces, representing 9 000 workers, are already participating, and another 51 000 workers could be covered under the fund within the next five years.* ■

MANAGEMENT TRAINING AND EXECUTIVE DEVELOPMENT

CHALLENGE
To improve the skills of Canadian managers and future managers.

ACTION 35
Develop a statement of competence-based qualifications for Canadian managers and use it in redesigning post-secondary management and administration programs and in hiring and promoting employees.

Encourage university students to take management courses.

Develop general management courses that would be credited toward any diploma or degree.

Design management courses for all professionals.

Prepare courses in the management and use of computers and other information and communications technologies for all students in management and administration (see Action 10).

Ensure that relevant courses are available through distance learning.

Identify Canadian leaders in new management practices and encourage them to share their knowledge and expertise with other Canadian organizations through mentoring and interchanges of managers, executives, labour representatives and academics.

Who Prosperity Council to initiate a plan of action, in collaboration with the National Quality Institute (see Action 1), major business and industry organizations, labour unions, the Canadian Labour Market and Productivity Centre and providers of management and business training.

When Within one year, develop a national plan of action and implement it within five years.

Innovation in Education and Training: Supporting Change

The recommendations in this action plan and the changing global environment will increase the demands on our education and training systems, both for greater variety and for greater capacity to deliver. To meet these new demands, Canadians will have to find new ways to educate and learn. At all levels, we will require dedicated and skilled teachers and trainers. New ways of learning in schools, at work and in the home will depend on the adoption of information and communications technologies. More research will be needed on how best to achieve results. At the same time, our learning systems will have to reflect international demands and opportunities.

Technology is transforming the workplace. It can also transform the classroom and bring learning to people at work and in the home. For example, computer-based programs can be used to individualize learning, enrich the learning experience, and provide rapid feedback on progress to the student and

the teacher or trainer. There are many good Canadian examples to guide us — we are a world leader in distance education, for example — but much more should be done to stimulate the development and use of communications and information technologies in education and training.

Teachers and trainers are the most important element of any learning system. Teachers must be trained to function effectively in the new environment so that they can make full use of new technologies in the classroom, better help students who are learning on their own outside the classroom, and find innovative ways of helping students learn.

Researching ways to help people better acquire skills and knowledge will be crucial. We need to make learning more interesting and rewarding, both in and out of the classroom and at all stages of life. Current research efforts are scattered and do not always focus on the kind of support that is needed to improve results.

People educated and trained in Canada have to compete with people from other countries who have skills to function in international markets. Our education and training systems at all levels have to recognize the reality of international competition and capitalize on our strengths to market Canadian education and training to others.

The following actions are recommended:

TELECOMMUNICATIONS AND INFORMATION TECHNOLOGIES AND LEARNING

Challenge

To find new ways of using technology and of tailoring learning to the needs of the individual so that people have more opportunities to learn.

Action 36

Expand the use of telecommunications and information technologies such as computer-assisted learning, distance education and video/television by:

- increasing the number of computers and variety of software in schools by 30 percent a year to ensure that all students have access to computers and are using computers as an integral part of education within five years;
- ensuring that every classroom has a cable drop and telephone line;
- preparing teachers and staff to use computers effectively as they are introduced into classrooms;
- setting up or using existing centres in communities as learning resource centres; equipping these centres with the latest learning technologies; and opening them to use by employers, unions, schools and individuals;
- incorporating technology in the design and delivery of educational and training materials, courses and programs;
- encouraging greater use of computer-based approaches in upgrading, literacy and numeracy programs; and

■ *Students in Grades 4 to 6 in the 33 schools of the Carleton Roman Catholic School Board, near Ottawa, use state-of-the-art technologies to learn mathematics, languages, arts and environmental studies. The technologies have been incorporated into 19 curriculum modules as part of the board's Media-Integrated Curriculum Project, which is designed to make technology work for students and teachers. The project uses an approach built on individualized student programs, content mastery and active, skills-based learning. Funding for computer equipment and accessories has been provided by the province, the school board and a corporate sponsor (Unisys).* ■

■ *British Columbia's Open Learning Agency is collaborating with the forestry industry and other major employers in the Prince George area to establish a learning centre that will offer flexible, workplace-oriented training. Included in the services are multi-media programs ranging from basic literacy to management development, a satellite downlink bringing in training programs from public and private networks across North America, and a compressed interactive video link, allowing point-to-point transmission of training courses between Vancouver training suppliers and Prince George.* ■

- changing policies and practices to encourage more technology-based training methods, and eliminating barriers or disincentives to the purchase and use of technology-based approaches.

Who School boards, communities, businesses and governments. The federal government to help build the infrastructure by sharing the costs of computers and related software with the provinces and schools.

When Within three years, 50 learning centres to be up and running.

A LEARNING NETWORK BASED ON TECHNOLOGY LINKS

CHALLENGE

To bring learning to people in the home, the classroom and the workplace by making better use of existing communications links.

ACTION 37

Use existing telephone and cable lines to create an effective and inexpensive electronic learning network. This network could eventually link to the high technology electronic information highway outlined in Action 12.

Review and modify regulations as necessary.

Who The cable, telephone and satellite companies. The federal government to remove any regulatory or policy restrictions.

When A functioning network ready within a year.

■ In Nova Scotia, Maritime Telegraph and Telephone Company Ltd. (MT&T), working with the province, has designed a special Distance Education Service to meet the needs of College de l'Acadie and Network N.S., Nova Scotia's two distance learning networks, and to enable other educational institutions in the province to provide courses at a distance. Under this service, educational institutions pay only for the facilities they require, with MT&T providing the high-cost network equipment as part of the subscription fee. Costs are significantly lower than for similar services under the standard tariff. ■

TEACHER PREPARATION

CHALLENGE

To ensure teachers and other learning professionals are properly prepared at all times for continuous change in the Canadian learning environment.

ACTION 38

Modify teacher preparation curriculum and upgrading programs so teachers can work within systems based on competence and individual progression.

Ensure that teachers are trained to use computers and other technical aids in their classrooms.

Increase the mentoring of new teachers by experienced teachers.

Develop and apply standards of competence for teachers, especially in mathematics and science, through regular recertification of teachers.

Continue to move to establish fully portable or universal teacher qualifications so that teacher training is recognized in all parts of Canada.

■ Under the Teacher Internship Program of Ontario's Waterloo Region Catholic School Board, teachers may spend four weeks working in a business environment that is linked directly to a subject they are teaching. The program objective is to increase the quality and relevance of the learning experience for students. Other objectives include improving the understanding educators have of the business world, and helping business to become familiar with educational systems. ■

Modify admission requirements for teacher education programs so that it is easier for mature students as well as those with relevant life experience and strong backgrounds in mathematics, science and technical subjects to enter the teaching profession.

Establish interchange programs for teachers and industry managers in the same subject areas.

Who Ministries of education, universities and faculties/schools of education, working with school boards and the teaching profession.

When Action to be under way within 18 months.

RESEARCH IN EDUCATION AND TRAINING

CHALLENGE

To discover the best ways of teaching and achieving results.

ACTION 39

Increase the amount and effectiveness of applied research into education by setting aside a fixed percentage of federal (and provincial) research funds for applied research and development in education. Research supported by this fund should be directed to priorities established by the Canadian Forum on Learning (Action 26) and should:

- focus on how best to achieve desired education outcomes and success for all learners;
- be carried out in collaboration with school principals and teachers within school settings (in all cases, basic research principles should be adhered to and support would be given for data collection on results and impacts);
- address a variety of issues including: effective teaching and learning strategies to facilitate the integration of immigrants; assessment techniques; the real nature and scope of the drop-out problem; effective methods to mainstream students with disabilities; new approaches to adult learning; the length of the school year; and appropriate use of computer technologies to facilitate learning; and
- be disseminated widely in all provinces and territories to prevent duplication.

Who Federal government, working with Social Sciences and Humanities Research Council and Natural Sciences and Engineering Research Council.

When 1993 Budget.

INTERNATIONAL FOCUS TO EDUCATION AND TRAINING

CHALLENGE
To prepare Canadians to meet the challenge of globalization.

ACTION 40
Increase the international focus in curricula, research and scholarship.

Expand interest in and access to:

- training in foreign languages;
- programs leading to internationally recognized credits or diplomas, such as the international baccalaureate;
- international exchanges of students, teachers and scholars; and
- cooperative research across international boundaries.

Develop stronger international linkages in the field of education.

Within a competence-based approach (see Action 27), provide credits for individuals who have acquired skills and knowledge outside Canada.

Market education opportunities in Canada more intensively to other countries.

Who Provincial and territorial governments, the federal government, schools and post-secondary institutions. Promoted by the Canadian Forum on Learning.

When Within two years, double the number of international students in Canada.

Getting Canadians Involved

The Canadian Forum on Learning (Action 26) is intended to play a vital role in reorienting and revitalizing learning in Canada. By promoting and supporting new approaches to education and training, the forum would help to provide the necessary impetus for change.

Change in our education and training systems will not happen, however, unless Canadians themselves make an active commitment to learning throughout life. Each of us must come to look on learning as a continuous opportunity for personal enrichment and satisfaction. Each of us must support our children in their efforts to acquire the knowledge, skills and attitudes they will need in our changing environment. This means that each of us must take an active interest in the improvement of our education and training systems.

The two proposals that follow are designed to encourage this commitment to lifelong learning, while making Canadians better aware of the value of learning and of the different learning options available.

COMMITMENT TO LEARNING

CHALLENGE

To encourage all Canadians to make an active commitment to learning throughout life and to support education and training for all Canadians.

ACTION 41

Take the initiative to participate actively in learning and in the education of children by:

- thinking of oneself as a learner;
- gathering information about learning opportunities;
- pursuing learning opportunities;
- actively participating in parent-teacher and home-and-school associations;
- voting in school board elections;
- providing a supportive learning environment at home for children;
- taking the responsibility for initiating partnerships between learning institutions and the community, employers and parents;
- making positive, constructive contributions to partnerships and other collaborative relationships as they are formed;
- encouraging young Canadians to complete secondary school; and
- working with one's employer to promote on-the-job training, define training needs and find innovative ways to provide skills upgrading.

Who All Canadians as consumers, parents, taxpayers, employers, employees and members of communities.

When Starting now.

CAMPAIGN IN SUPPORT OF LEARNING THROUGHOUT LIFE

CHALLENGE

To increase commitment to learning throughout life by making Canadians more aware of the value of learning, the need to learn and the different learning options available.

ACTION 42

Put in place an effective Canada-wide communications campaign that would build on the following messages:

- learning is necessary throughout life;
- Canadians can choose from a wide variety of occupations and jobs;
- learning is not restricted to classrooms; and
- learning is related directly to individual and collective economic success.

■ *Manitoba's Birds Hill School is breaking new ground in its efforts to interest students in technology and the sciences. A key to its success has been its efforts to involve parents directly through various programs:*

- *Women in Science and Mathematics Workshop, an award-winning awareness program for parents of girls aged eight to fourteen;*
- *a Technology Career Club, run cooperatively by school and parents to expose elementary students to science and technology career choices;*
- *the Parent Technology Group, which organizes tours, information evenings, computer workshops and other activities for parents; and*
- *the Science Moms program, which teaches mothers to perform experiments they can demonstrate to small groups of students.* ■

■ *A study of Indo-Chinese refugee families, carried out by the Institute of Social Research at the University of Michigan, shows that, despite language barriers, Indo-Chinese children adapt quickly to United States schools because studying and learning are an integral part of home life. The study suggests that parents and families must instil a respect for learning and create within the home an environment conducive to learning. Schools also must reach out to families and engage them meaningfully in the education of their children.* ■

Who The Canadian Forum on Learning (Action 26) to provide the leadership. The federal government to provide seed funding and to facilitate the involvement of provinces and territories, business, labour, educators and the media.

When Campaign to start within a year.

All the strategic actions presented in this chapter are important. If the strategy is followed, we will have clearly stated goals, better results and improved opportunities for Canadians to acquire the knowledge, skills and attitudes they need to share in and contribute to Canada's future prosperity.

Each of us has a role to play, but the leadership of governments is crucial. The Steering Group asks the First Ministers and the Council of Ministers of Education, Canada to put this action plan — and the steps they propose to take to implement it — on the agendas of their next meetings.

Most of the recommended actions can be carried out by using existing resources and by taking greater advantage of existing facilities and community resources. Changes are required in how we do things and how we look at learning. However, there may be some areas where an investment of resources is needed now — for example, to increase support for very young children and to expand the use of information and communications technologies. These should be given high priority because investment now will result in future savings.

Throughout this and other sections of the action plan, great emphasis is laid on working together to build a strong learning culture. For most of the actions, there is no single responsibility. The challenge is to build effective partnerships.

In many communities, alliances are already in place, but there is room to build on them. The Steering Group issues three challenges: **Take the lead in calling a meeting. Begin the process of working together. If you are asked to participate, make the commitment.** Change and improvement to our learning systems will come only if all Canadians are committed to learning throughout life and work together to meet the challenges of today and the future.

Building an Inclusive Society

Throughout its history, Canada has drawn people from the far corners of the Earth who have come here to build their lives and contribute to the country's prosperity. In this land of opportunity, however, many Canadians have been and continue to be blocked from achieving their full potential because of gender, race or economic circumstance.

Our future prosperity depends on our people and on our ability, and willingness, to draw upon the creative talents of all Canadians. This means becoming an inclusive society, where everyone has a fair opportunity to participate fully and to contribute to the best of his or her ability.

This is not just a question of fairness; there are compelling economic reasons as well. As the number of young people entering Canada's labour force continues to decline, women, immigrants and visible minorities will constitute an ever larger share of new entrants into the work force. Our companies and institutions will suffer if they do not attract, train and retrain these workers, and all Canadians are harmed if important segments of society are unable to contribute to national economic performance. Moreover, in being denied opportunities, certain members of the population may become dependent on society. This results in additional costs and creates resentment on all sides.

The same is true of the many communities across Canada that are suffering as a result of changing economic circumstances or the collapse of single industries. Canadians in these communities must be given opportunities to restore and maintain the health of their local economies, without discouraging them from moving elsewhere to find work if necessary.

The recommendations that follow deal with building a representative work force, realizing opportunities for Aboriginal peoples, reshaping our approach to support programs, and strengthening local development programs to help promote prosperity in distressed communities.

A Representative Work Force

Women make up over 50 percent of the population. Despite this, their representation in many jobs that are crucial to national prosperity is still limited and narrow. This reality at best restricts women from realizing their full potential, and at worst keeps countless women and their dependents in a state of poverty or near-poverty. The contributions that such a significant proportion of our population could be making to the country are being lost.

The participation of women in companies and institutions shows clearly the advantages of a more representative work force. Women are breaking new ground in every sector, and many of those in management ranks are becoming powerful agents of innovation. More and more are entering the work force with technical skills and professional qualifications.

Yet a "glass ceiling" often keeps women from the jobs that lead to senior executive positions. We will be able to ensure a fair society and realize the full potential growth of our economy only if women participate fully in work force opportunities and are represented throughout the job spectrum.

At the same time, Canadians of varied ethnic backgrounds, whether men or women, are demonstrating that their languages, skills and cultural perspectives are important economic assets. Yet many employers, both in the public and private sectors, are still ignoring or not taking full advantage of this rich pool of talent.

People with disabilities, too, are often excluded from jobs they are capable of performing — at a time when new technologies are making it easier for them to enter the work force.

Racism and discrimination on the job are other factors that prevent individuals from making their maximum contribution to Canada's economic future.

The competing priorities of family and workplace can also affect opportunities for employment or advancement.

Most workers have or will have dependents — young children, relatives with disabilities or older parents. Women tend to bear the brunt of looking after these dependents, but men are beginning to share the responsibility.

Flexible work arrangements that recognize these social realities, and take account of trends such as the increase in two-job families and single working parents, are essential. Canadian men and women need access to employment opportunities that will make it possible for them to use their skills and enhance quality of life for themselves and their families.

All employers should understand the benefits of, and take steps to ensure, a broadly representative work force. To date, most of the impetus has come from government programs and legislation, which lead to taxes, paperwork and litigation.

OPPORTUNITY FOR ALL

Challenge
To make diversity our strength and give all Canadians the chance to participate fully in the work force.

Action 43
Strengthen efforts to hire and promote from under-represented groups.

Introduce measures to facilitate productive relationships between workers of different backgrounds.

Use annual reports to indicate progress toward a representative work force.

Who All private and public sector employers in partnership with unions and employee associations, workers, community groups and consumers.

When Reporting to start within two years.

RESTRUCTURING THE WORKPLACE

Challenge
To make the structure and organization of work more flexible and better able to accommodate family and other social pressures.

Action 44
Expand team-based work arrangements so that workers are trained in a variety of skills, thus allowing jobs to be interchanged and work to be shared.

Increase the use of technologies — such as computer networks, teleconferencing, voice mail and electronic mail — that enable employees to work at home.

Adopt flexible working hours so employees can meet both family and work responsibilities without excessive stress.

Broaden human resource management to include support for employees with dependents and to establish links with networks providing social services.

Who All private and public sector employers, in partnership with labour.

When Action to start immediately.

■ *At the Levi Strauss plant in Brantford, Ontario, employees are given information on local day-care centres, immigrant employees can take long leaves to return home, out-of-town travel is avoided on Mondays and Fridays, and free telephones in the cafeteria allow workers to keep in touch with children at home. Efforts are now under way to formalize flexible work scheduling.* ■

■ *Cumberland Sound Fisheries Ltd., an Inuit-owned company established in 1988 in Pangnirtung, Northwest Territories, generated more than $1 million in sales in its first two years of operation and created some 100 jobs for the local community. Tsa-Kwa-Luten Lodge, a $5-million resort complex opened in 1991 by the Cape Mudge Indian Band on Quadra Island, British Columbia, is already a big tourist attraction and revenue generator for the island's residents. Oudeheemin Foods Inc., a new Aboriginal catering enterprise in Montreal that offers foods based on uniquely Canadian recipes and ingredients, organized a group of Aboriginal chefs as part of Canada's winning national team at the 1992 World Culinary Olympics in Frankfurt, Germany. More than 30 Aboriginal corporations now provide capital to help Aboriginal businesses start up and expand.* ■

Realizing Opportunities for Aboriginal Peoples

Severe economic and social obstacles have restricted the ability of Aboriginal peoples to participate in Canada's economy. The most severe of these obstacles are illiteracy and the lack of quality education; inadequate skills in mathematics, science and management; and a weak financial and business base with inadequate linkages to the mainstream of Canada's economy. To overcome these obstacles, a comprehensive approach is called for that integrates educational and economic development.

Despite the obstacles, there are examples of Aboriginal peoples aggressively pursuing business opportunities. These successes must be encouraged and expanded so that all Aboriginal peoples participate fully in economic activity at home and abroad.

Aboriginal development is in fact one of the most promising frontiers for economic and social progress in Canada. If the proportion of Aboriginal Canadians with jobs and the level of their wages matched those of other Canadians, the increase in Canada's national income would be equivalent to adding another Saskatchewan or New Brunswick to our economy.

Aboriginal peoples have affirmed their intention of taking full responsibility for their educational, cultural and economic institutions. A prosperous future for Aboriginal peoples depends on fully functioning Aboriginal communities that are equal partners in a Canada that values their culture and language and respects their rights.

Aboriginal leaders should ensure that their policies and actions do not have the effect of discouraging or hindering competitiveness, innovation or the creation of opportunity. Rather, they should enhance the ability of Aboriginal enterprises to prosper. The areas of primary concern and priority, where action is most likely to bring about change, include those outlined below.

TECHNOLOGY

CHALLENGE

To increase the use of technology by Aboriginal peoples.

ACTION 45

Develop a coordinated plan to encourage the identification and use of leading technologies by Aboriginal enterprises.

Establish models, joint ventures and pilot projects to promote technology use.

Who Aboriginal enterprises, federal department of Industry, Science and Technology (Aboriginal Economic Programs).

When By spring 1993.

LEARNING

Challenge

To increase literacy and numeracy and achieve higher levels of educational attainment among Aboriginal peoples, recognizing that education can greatly accelerate Aboriginal economic development and improve the readiness of Aboriginal peoples to participate in that development.

Action 46

Develop educational curricula and create positive learning environments that respect and promote Aboriginal values, traditions and language while encouraging excellence in basic and advanced education.

Encourage Aboriginal student interest in technology, mathematics and science.

Who Aboriginal communities, with provincial and territorial education departments and school boards, and responsible federal departments.

When Action under way within six months.

IMPROVED BUSINESS ACTIVITY AND COMPETITIVENESS

Challenge

To improve access to capital and strengthen and expand Aboriginal business and financial institutions, assure their full participation in the mainstream of the Canadian economy, and broaden their participation in the international marketplace.

Action 47

Support Aboriginal enterprises through direct investments and through investments in Aboriginal capital corporations.

Who Banks, trust companies, pension funds, Investment Dealers Association, Canadian Bankers Association, Aboriginal Economic Programs and Aboriginal communities.

When Within three months, produce plan of action.

MARKETS

Challenge

To increase the number of Aboriginal companies that export.

Action 48

Provide more scope for Aboriginal enterprises to participate in trade missions, trade fairs and other trade activities abroad.

Provide better understanding of potential Aboriginal markets, pursue domestic and international marketing opportunities and explore potential international markets for Aboriginal products.

Who Aboriginal businesses and business organizations, in partnership with other Canadian business organizations and the federal and provincial governments.

When Expanded Aboriginal participation in trade fairs and missions by April 1993.

■ *The Northern Manitoba Business Institute takes a cooperative approach to educational delivery and business development training. The Institute provides both business consulting services and a Bachelor of Arts degree program with a major in business administration. Already, 140 full-time and part-time students are enrolled in the program, which started in September 1992. The program is aimed at people who live and work in northern Manitoba and is of special relevance to those of Aboriginal descent. Partners include Swampy Cree Tribal Council, Brandon University, Inter-Universities, Keewatin Community College and Manitoba Hydro. The program makes use of a variety of flexible and innovative teaching methods and is designed for easy access by students already working in business and administrative positions. Credits are also transferable between Brandon University and Keewatin College.* ■

MANAGEMENT AND EXECUTIVE TRAINING

CHALLENGE
To develop a core of Aboriginal managers.

ACTION 49
Use interchange and other similar programs to train Aboriginal business managers.

Develop training programs for Aboriginal managers at institutions of higher learning.

Identify Aboriginal leaders in management practices and encourage them to share knowledge with others.

Who Aboriginal and non-Aboriginal institutions of higher learning, including University of Lethbridge, Trent University, Saskatchewan Indian Federated College, Saskatchewan Indian Institute of Technology, Canadian Council for Native Business, business schools in universities and colleges.

When Ongoing. Plan of action in place within 12 months.

Sharing Opportunity

If Canada is to be truly prosperous, we must do more than innovate and generate new opportunities for jobs. We must also become an inclusive society in which opportunities are shared widely. This means having policies and programs that help people to improve their employment skills and enhance their ability to find work, rather than discourage them from working.

According to a 1989 survey, between 30 and 40 percent of Canadians may need to improve their ability to read and do simple arithmetic if they are to qualify for jobs or advancement.

Effective adjustment measures are also required. As discussed in Chapter Two, these can help ensure that working Canadians continue to stay employed even as the economy evolves and the nature of employment changes.

Currently, people of working age who are unemployed may receive some form of support through programs administered by federal, provincial or municipal governments. For the most part, these programs were designed to provide the unemployed with short-term income replacement until the business cycle recovered and the jobs returned. Today, however, many jobs are not returning: the economy is changing, and so are the kinds of jobs available. In many areas there are not enough jobs for everyone who wishes to work.

For many Canadians, temporary reliance on income support has become long-term dependency. Such support can trap recipients permanently in safety nets instead of encouraging them to remain or become employable.

One of the main income security programs is unemployment insurance. In some parts of the country, entire industries or governments rely on it to maintain their work force during off-seasons or at other times when there is not enough work. Clearly, this can reduce an unemployed person's incentive to seek another job nearby or to move and look for work elsewhere. The problem is compounded in many areas where there are not enough jobs to go around.

Income support is also provided through social assistance programs. These programs, too, can often trap recipients in poverty by discouraging them from seeking work. This is because many of the jobs pay less than welfare, and a high proportion of any income earned is deducted from the benefits.

Welfare recipients also carry a stigma that inhibits their chances of finding work. Moreover, many of those who live in poverty are women with children; their desire to work and support their families is often frustrated by a lack of necessary support such as child care and tax provisions which discourage work. Others require basic academic upgrading, literacy and related skills but have no access to appropriate programs.

The support programs now in place must be refocused to provide the unemployed with incentives and opportunities to participate in the workplace and to ensure they remain employable throughout their careers.

The unemployed require different kinds of help. Some may need only income support; women with children may need child-care assistance; welfare dependents may need basic education or job skills training along with counselling and wage subsidies. At the same time, Canadians who cannot work must be assured that their basic needs will be met and the safety net will still be there.

ASSISTING PEOPLE

CHALLENGE

To restructure Canada's income security programs so as to remove barriers and reduce disincentives to work while maintaining a safety net of income support for those unable to work.

ACTION 50

Develop an integrated approach to assistance that provides income security as well as counselling, training, relocation assistance and other support.

Who Prime Minister and premiers to initiate the process as a top priority and involve affected groups in planning and implementing change.

When Initiate at next First Ministers' meeting with a comprehensive approach in place within two years.

■ *As part of the Newfoundland and Labrador Strategic Economic Plan, the Economic Recovery Commission, in consultation with community groups and other provincial agencies, is working to reform the province's income security system, including the design of alternative programs that provide strong incentives for work, education and self-employment while protecting income needs. Other initiatives include development of an Industry Stabilization and Insurance Program for fishermen and regional economic development pilot projects to pretest potential changes.* ■

■ *New Brunswick has appointed a Minister of Literacy and set up the Community Academic Services Program that enables the government to act in partnership with the private sector and local communities in pursuit of common literacy objectives. Now in use in more than 80 New Brunswick communities, the Community Academic Services Program takes a non-institutional approach to literacy training with flexible curricula based on resources and student needs.* ■

■ *The Referral, Education, Assessment, Development Youth Centre (R.E.A.D.Y.) in St. John's, Newfoundland, offers a variety of services to young people who are receiving social assistance or unemployment insurance, and who are having a difficult time finding employment, making career decisions, dealing with personal problems, keeping a job or deciding whether or not to go back to school. Through a combination of lifeskills, classroom instruction and personal support, the Centre offers assessment, career information, counselling, job search skills, job training, life skills, academic upgrading, tutoring and job placement.* ■

■ *The Ontario cities of Kitchener–Waterloo, Cambridge and Guelph, in partnership with the three area universities, are developing a new initiative to rejuvenate the local manufacturing and industrial base. Called Canada's Technology Triangle Business Community Program, the initiative would have a board of directors and separate "houses" of investment and support. It would call for strong community cooperation, creative organization of local business resources, and establishment of a local pool of capital. Services would include a community investment fund to provide tax assistance to investors, corporate mentoring, innovative training, and novel staffing arrangements such as employee leasing and secondments. Local educational institutions would provide job forecasting and access to global data bases.* ■

CHALLENGE
To eradicate illiteracy and innumeracy among adult Canadians.

ACTION 51
Launch a nation-wide campaign, led by provincial and territorial governments, to reduce illiteracy. The campaign would build on the expertise of literacy and community groups, and encourage all Canadians, particularly business people, to become involved through, for example, a Canadian Literacy Corps.

Work with Aboriginal communities to reduce illiteracy.

Who Canadian Forum on Learning to encourage action by provincial and territorial governments, in partnership with literacy and community groups, Aboriginal organizations, national business associations, consumer groups, labour unions, and appropriate federal departments.

When Campaign under way within one year.

CHALLENGE
To increase the availability and quality of academic upgrading and skills training for the economically disadvantaged, the chronically unemployed and social assistance recipients.

ACTION 52
Provide more flexible community-based, client-centred training programs that include basic literacy, academic upgrading, life skills and skills training.

Who Voluntary and community-based organizations, with funding by governments.

When Within six months.

THE HEALTH OF COMMUNITIES

CHALLENGE
To recognize the important role played by local economic development groups in promoting prosperity at the community level.

ACTION 53
Strengthen and better coordinate local economic development programs sponsored by federal, provincial and municipal governments.

Community economic development groups accept and give priority to their role in carrying out this action plan.

Ensure appropriate tools are available to community economic development groups to help them do their job.

Who Community economic development groups and support agencies, municipal, provincial and federal governments, Prosperity Council.

When Actions to start immediately and progress assessed and reported annually.

Stimulating Action

We cannot change the past — it is history. We can only make the best of the present — it is already happening. But we can begin now to become masters of our future. That is what this action plan is about.

Each of the 53 recommendations in the preceding pages calls for innovative action to take Canadians along the path to future prosperity. They include new ways of doing things that touch almost every facet of Canadian life.

There are 25 recommendations to make us more competitive, ranging from a new emphasis on quality management to a new electronic data highway. There are 17 recommendations aimed at transforming our approach to learning — creating a culture geared to lifelong learning. There are 11 recommendations to help ensure that all Canadians can play an active role in creating prosperity.

The action plan deals essentially with change: the social, economic, educational and technological changes that affect our quality of life, the opportunities that these changes offer, and the changes Canadians must make to seize and benefit from these opportunities.

As we said earlier, not all our recommendations are new: many have been proposed before but never implemented; others have been adopted here and there but with no concerted impact across the country.

Time is running out: the pace of social and economic change is accelerating. We must not delay taking every step to meet the challenges that confront us. Otherwise we will fall behind and jeopardize our future. We must begin at once to create new opportunities for prosperity. Now is the time to make commitments and set directions for the next century.

Therefore, to stimulate prompt action on the recommendations in this plan, to monitor progress and evaluate performance, and to help create partnerships and achieve consensus, the Steering Group recommends one further action — the establishment of a Prosperity Council.

The Steering Group firmly believes that such a Council should not be a government body, but a small, dynamic group of respected individuals drawn from key sectors of our society. It would have a limited lifespan of three to five years.

The Prosperity Council would have five principal roles:

- To promote the implementation of the action plan by all groups and individuals and monitor, assess and report publicly on progress made toward implementation.
- To provide leadership, foster partnerships and continue the process of consensus-building.
- To evaluate regularly and report publicly on Canada's competitive performance, both in terms of the domestic market and in relation to other countries.
- To establish the Canadian Forum on Learning and work closely with the new National Quality Institute, the Canadian Labour Market and Productivity Centre (CLMPC), the Canadian Labour Force Development Board (CLFDB), and other national organizations in the pursuit of shared goals.
- To initiate a process for monitoring federal and provincial government legislation, regulations and fiscal policies in order to assess their consistency, their impact on competitiveness, and their total cost and benefits to the national economy.

The role of the federal government would be to set up the Prosperity Council as an independent, non-partisan body, appoint its members in consultation with the private sector and the provinces, and fund it for three years. After three years, the Council would be funded by private sector contributions. The Council's members would represent business, labour, education, consumers, and voluntary and social policy groups. Consideration should be given to including the heads of the National Quality Institute and of organizations like the CLMPC and the CLFDB. The Council would hire its own support secretariat and would report publicly to the people of Canada through First Ministers.

PROSPERITY COUNCIL

CHALLENGE

To ensure the timely implementation of the prosperity action plan.

ACTION 54

Establish a Prosperity Council as a national monitoring and evaluation body to promote the action plan and encourage implementation of its recommendations.

Who Federal government to appoint members in consultation with provincial governments and the private sector, as represented by business, labour, educators, consumers, and voluntary and social policy groups.

When To be up and running by April 1993.

There is another major change we have to make, one that each and every Canadian can help bring about. Every Canadian who has not already done so should accept some responsibility for moving the country forward and take personal action to help achieve the goals of this action plan — on the job, at home and in the community. If every one of us makes this commitment in a spirit of cooperation, our country's prosperity is virtually assured.

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The following pages list the consultations that took place as part of the Prosperity Initiative. The recommendations emerging from these consultations have guided the Steering Group on Prosperity in the preparation of this action plan.

ABORIGINAL CONSULTATIONS

Vancouver — 21 and 22 May 1992

COMMUNITY TALKS

13 November 1991 to 31 March 1992

Newfoundland

Corner Brook
Grand Falls–Windsor
Happy Valley
Marystown
St. John's

Prince Edward Island

Charlottetown
Summerside

Nova Scotia

Antigonish
Bridgewater
Halifax/Dartmouth
Kentville
New Glasgow
Port Hawkesbury
Shelburne
Sydney
Truro
Yarmouth

New Brunswick

Beresford
Edmundston
Fredericton
Moncton
Newcastle
Saint John
Shippegan
St. Stephen

Quebec

Baie-Comeau
Beauport
Buckingham
Chambly
Chandler
Chibougamau
Drummondville
Jonquière
La Tuque
Lac-Mégantic
Lachute
Laval
Lévis
Longueuil
Magog
Mont-Laurier
Montmagny
Montreal/Verdun
Montreal/Mercier
Quebec
Rimouski
Roberval
Sept-Îles
Shawinigan
Sherbrooke
Saint-Anselme
Saint-Eustache
Saint-Georges-de-Beauce
Saint-Hyacinthe
Saint-Jean-sur-Richelieu
Saint-Jovite
Sainte-Thérèse
Sorel
Terrebonne
Trois-Pistoles
Trois-Rivières
Val-d'Or
Vaudreuil
Victoriaville

Ontario

Aurora
Barrie
Belleville
Bowmanville/Newcastle
Brampton
Brantford
Brockville
Burlington
Cambridge
Chatham
Collingwood
Cornwall
Dryden
Etobicoke
Georgetown
Goderich
Guelph
Hamilton
Hawkesbury
Huntsville
Kanata
Kapuskasing
Kenora
Kingston
Kirkland Lake
Kitchener
Lindsay
London
Markham
Midland
Milton
Mississauga
Napanee
Newmarket
Niagara Falls
North Bay
North York
Oakville
Orangeville
Oshawa
Orillia
Ottawa
Owen Sound
Parry Sound
Pembroke
Perth
Peterborough
Pickering/Ajax
Port Colbourne
Port Hope/Cobourg
Richmond Hill
Sarnia
Sault Ste. Marie
Scarborough
Simcoe
St. Catharines
St. Thomas
Stoney Creek
Stratford
Sudbury
Thunder Bay
Timmins
Toronto (central)
Toronto (east)
Toronto (west)
Waterloo
Welland
Whitby
Windsor
Woodbridge
Woodstock

Manitoba

Birds Hill
Brandon
Dauphin
Morden
Portage la Prairie
Steinbach
Thompson
Winnipeg

Saskatchewan

Melfort
Prince Albert
Regina
Saskatoon
Swift Current
Weyburn
Yorkton

Alberta

Calgary
Camrose
Drumheller
Edmonton
Fort McMurray
Grande Prairie
Hinton
Lethbridge
Lloydminster
Red Deer
Stony Plain
Vegreville
Wetaskiwin

British Columbia

Campbell River
Castlegar
Chilliwack
Courtenay/Comox
Cranbrook
Fort St. John
Kamloops
Kelowna
Langley
Nanaimo
North Vancouver
Penticton
Prince George
Terrace
Vancouver
Victoria
White Rock/Surrey
Williams Lake

Yukon

Whitehorse

Northwest Territories

Yellowknife

REGIONAL TALKS

Saskatoon	25 April 1992
Moncton	2 May 1992
Montreal	9 May 1992
Vancouver	23 May 1992
Toronto	30 May 1992

NATIONAL ROUNDTABLE ON LEARNING

Aylmer, Quebec	24 to 26 February 1992

CONSULTATIONS ON LEARNING

Children Ready to Learn	Edmonton	21 and 22 May 1992
Vocational Education	Montreal	27 May 1992
Early School Leavers	Halifax	29 May 1992
Outcomes/Outputs	Toronto	10 and 11 June 1992
Foundation Skills:		
	Ottawa	3 June 1992
	St. John's	10 June 1992
	Moncton	12 June 1992
	Kamloops	16 June 1992
	Winnipeg	18 June 1992
	North York	19 June 1992

INTERNATIONAL TRADE ADVISORY COMMITTEE (ITAC) TASK FORCE ON INTERNATIONAL MARKETS AND MARKETING

Initial ITAC Meeting	Ottawa	10 December 1991
Trade and Competitiveness Task Force Meetings		
	Toronto	13 February 1992
	Montreal	28 April 1992
	Ottawa	18 May 1992
Task Force presentation to Steering Group	Halifax	26 June 1992
ITAC endorsement of Task Force's final report	Ottawa	31 August 1992

QUALITY CONFERENCE

	Toronto	22 and 23 June 1992

ROUNDTABLE ON GOVERNMENTS AND COMPETITIVENESS

	Rockland, Ontario	26 and 27 May 1992

TASK FORCE ON SCIENCE, TECHNOLOGY AND SKILLS DEVELOPMENT

	Montreal	21 to 23 April 1992
	Toronto	13 May 1992
	Kananaskis, Alberta	5 to 7 June 1992

WORKSHOPS ON FINANCING AND INVESTMENT

Providers of Capital

Financial Institutions	Toronto	6 April 1992
Institutional Investors	Toronto	7 April 1992
Venture Capital	Toronto	8 April 1992
Investment Dealers	Toronto	9 April 1992

Users of Capital

Business users		
	Toronto	15 April 1992
	Toronto	16 April 1992
	Vancouver	20 April 1992
	Calgary	21 April 1992
	Winnipeg	22 April 1992
	Saint John	23 April 1992
	Montreal	24 April 1992
Tax Consultation Workshop		
	Toronto	29 April 1992

National Focus Groups (including Users and Providers)

Financing and Investment		
	Vancouver	11 May 1992
	Winnipeg	13 May 1992
	Toronto	15 May 1992
	Halifax	20 May 1992
	Montreal	22 May 1992

CONCLUDING ROUNDTABLE

"Strategy for Prosperity"	Edmonton	14 and 15 July 1992

PORTFOLIO (MINISTERIAL) CONSULTATIONS

(Federal government departments and agencies that consulted their clients, including 16 different industry sectors, on prosperity issues)

Canadian International Development Agency
Canada Mortgage and Housing Corporation
Communications Canada
Consumer and Corporate Affairs Canada
Department of the Secretary of State of Canada
Employment and Immigration Canada
Energy, Mines and Resources Canada
Environment Canada
Finance Canada
Government of Canada — Fisheries and Oceans Canada
Industry, Science and Technology Canada/International Trade
(with Agriculture Canada, Communications Canada, Forestry Canada and Energy, Mines and Resources Canada)
Investment Canada
Revenue Canada — Customs and Excise
Supply and Services Canada
Transport Canada

NATIONAL CONSULTATIONS

(Organizations that submitted briefs to the Steering Group on Prosperity)

Business

AGT Ltd.
Antigonish Chamber of Commerce
Business Council on National Issues
Canadian Chamber of Commerce
Canadian Pulp and Paper Association
Canadian Pacific Rail System
Canadian Federation of Independent Business
Canadian Manufacturers' Association
Canadian Exporters' Association
National Bank of Canada
Petersen & Associates
Pharmaceutical Manufacturers Association of Canada
Stentor
Telus Corporation
The Board of Trade of Metropolitan Toronto
Transportation Association of Canada

Education

Association francophone doyen/directeur en éducation du Canada
Association of Canadian Community Colleges
Association of Universities and Colleges of Canada
Canadian Association of Deans of Education
Canadian Association of University Teachers, Librarians Committee
Canadian School Boards Association
Canadian Teachers' Federation
Frontier College
Movement for Canadian Literacy

Labour
Christian Labour Association of Canada

Social
Edmonton Social Planning Council
Fédération des communautés francophones et acadienne du Canada
Fédération des jeunes Canadiens français inc.
Saint John Human Development Council
National Advisory Council on Aging
YMCA Canada

Other Organizations
Association of Professional Engineers, Geologists and Geophysicists of Alberta
Canadian Institute of Chartered Accountants
Canadian Co-operative Association
Canadian Standards Association
Conference Board of Canada
The Engineering Institute of Canada
Federation of Canadian Municipalities
Maharishi International Academy
National Research Council Canada
Public Policy Forum

PROVINCIAL CONSULTATIONS

Discussions on the action plan and relevant initiatives were held with all provinces and territories.

SOCIAL ACTION GROUPS

Voluntary Sector and Social Policy Groups	Ottawa	23 June 1992
National Anti-Poverty Organizations (NAPO)	Ottawa	23 July 1992

STUDENT TALKS

Student Talks were held in 23 schools.	18 February to 12 June 1992

OTHER CONSULTATIONS

National Education Organizations of Canada		Several meetings
Canadian Ethnocultural Centre	Ottawa	6 June 1992
Focus Groups with Parents	Toronto	15 June 1992
Canadian Association of Deans of Education	Montreal	19 June 1992

Appendix B
Prosperity Initiative Consultations: Reports and Studies

1. Community Talks: A Summary, 1992
2. Regional Talks: Summary of Events, 1992
3. Building Towards Prosperity: Report and Recommendations from the Aboriginal Conference, 1992
4. Prosperity Through Innovation: Summary Report, 1992
5. Prosperity Through Innovation: Background Report, 1992
6. Prosperity Initiative Quality Conference, 1992
7. Financing Investment: Overview and Recommendations, 1992
8. Report to the Steering Group Submitted by the International Trade Advisory Committee (ITAC) Task Force on Trade and Competitiveness, 1992
9. Government Organization, Efficiency and Competitiveness in the Canadian Democratic Setting, 1992
10. An Overview of Selected Studies on Canada's Prosperity and Competitiveness, 1992
11. International Investment and Competitiveness, 1992
12. The Contribution of Investment and Savings to Productivity and Economic Growth in Canada, 1992
13. Briefs on Prosperity from National Organizations — Summary Report, 1992
14. National Roundtable on Learning: Summary of Proceedings, 1992
15. Consultation with Voluntary Sector and Social Policy Groups: Summary of Proceedings, 1992

Reports on Learning

16. Adult Literacy in Canada 1992: Initiatives, Issues and Imperatives, 1992
17. Forum on Vocational Education, 1992
18. Study of Vocational Education, 1992
19. Technology and Lifelong Learning, 1992
20. Study of School Leavers, 1992
21. Addressing the Lack of School Readiness in Preschoolers, 1992
22. Learning Styles and Learning Cultures Framework for Addressing the Issue of Dropouts in Canada, 1992
23. Foundation Skills, 1992
24. Outcomes/Outputs, 1992
25. Management Training Provided by Canadian Universities in support of Canada's Needs in the New Global Economy: Assessment Recommendations, 1992
26. Management and Executive Development in a Changing World, 1992
27. Learning Organization: Managing in Turbulent Times, 1992

Sectoral Consultation Reports: Industry, Science and Technology Canada/International Trade

28. Aerospace and Defence Sectors, 1992
29. Agri-Food Sectoral Response, 1992 (with Agriculture Canada)
30. Canadian Automotive Industry, 1992
31. Canadian Commercial Services Industry, 1992
32. Toward an International Competitive and Responsible Canadian Chemical Sector Grouping, 1992
33. Construction and Capital Projects, 1992
34. Fabricated Materials: Gateway to the New Economy, 1992
35. A Fishing Industry Perspective, 1992
36. Canada's Forest Industry: A Strategy for Growth, 1992 (with Forestry Canada)
37. Canadian Furniture Industry, 1992 (with Employment and Immigration Canada)
38. Industrial and Electrical Equipment Sector, 1992

39. A Knowledge-Based Canada: The New National Dream
(with Communications Canada)
(English and French versions will be available mid November 1992)
40. Minerals and Metals Sector, 1992
(with Energy, Mines and Resources Canada)
41. Tourism Sector, 1992

Ministerial Consultations: Reports

42. Canada Mortgage and Housing Corporation, 1992
43. Canadian International Development Agency, 1992
44. Communications Canada, 1992
45. Consumer and Corporate Affairs Canada, 1992
46. Employment and Immigration Canada Portfolio Consultations: Final Report, 1992
47. Energy, Mines and Resources Canada, 1992
48. Government of Canada — Fisheries and Oceans, 1992
49. Investment Canada — Investing in Canada's Future: A Report on the Investment Forums, 1992
50. Revenue Canada — Customs and Excise, 1992
51. Department of the Secretary of State Canada, 1992
52. Supply and Services Canada, 1992
53. Transport Canada, 1992

Initial Discussion Papers

54. Prosperity Through Competitiveness, 1991
55. Learning Well... Living Well, 1991
56. Canada's Prosperity — Challenges and Prospects, 1991
57. Industrial Competitiveness: A Sectoral Perspective, 1991